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# ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING CHOICE

COBB COUNTY, GEORGIA  
AUGUST 2007

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## EXECUTIVE SUMMARY

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This document has been prepared to provide the reader an understanding of the various issues regarding fair housing choice in Cobb County. Characteristics such as population growth, income variances, and racial/ethnic data are discussed in great detail and provide the reader an overarching grasp of Cobb County and the journey taken by residents in search of fair and affordable housing.

The approach to achieve such a perspective was to build on prior research, namely, the *Analysis of Impediments [AI] to Fair Housing Choice*, August 1996, completed by the Cobb County CDBG Program Office. As such, actions taken as a result of that document, in conjunction with additional data pulled from regional research, were used to assess the current condition of fair housing in Cobb County. Recommendations were made based on those assessments. Abbreviated Issue-based summaries addressed in this document are as follows:

### Population, Income Characteristics, Racial/Ethnic Characteristics

Cobb County is part of the 28-County Atlanta Metropolitan Area, one of the fastest growing areas in the country and is one of the most affluent counties in Georgia. Median family income in Cobb County is \$71,188, significantly higher than the national median family income of \$55,832. In 2005, 11 percent, or 18,656, of the 166,606 total households in Cobb County had incomes below \$24,999 [30% of the 2005 Atlanta MSA median family income of \$71,188). Approximately 49 percent of households in Cobb County make at or below 80% [low to moderate income] of the county-wide median income of \$71,188.

Cobb's rapid growth has caused significant changes to its demographics. Many neighborhoods have changed from predominantly white or black to mixed composition. Since 1990, racial and ethnic minority groups have increased in population in Cobb County. However, minority population varies significantly between Census Tracts in Cobb County. Many parts of Cobb County are still populated predominantly with either Caucasian households or predominantly minority households. There is a disproportionate percentage of minorities who have incomes in the lower-income categories.

### Affordable Housing Snapshot (*What is Affordable in Cobb County?*)

"Cost of Living" scenarios were created to detail the average monthly costs for Cobb County families (one and four-person households) at four distinct income levels; varying from the "high" income bracket [120% of the median income] down to the "very low/low" income brackets [60% and 80% of the median income]. The purpose of these scenarios is to detail "affordable" cost of living snapshots for families at different income levels in Cobb County.

Other costs vary from scenario to scenario. Estimates were compiled from online resources including YAHOO! Real Estate, The Council for Community and Economic Research, and other estimations. These figures could change based on government assistance and other sources of financial support provided to individuals and families that offset costs over what is available from employment earnings.

### Housing Discrimination Complaints Summary in Cobb County, Georgia

Housing discrimination complaint data was gathered for Cobb County for the time period of January 2000 through January 2007 and was provided by the Fair Housing Division of the Georgia Commission on Equal Opportunity. During that time period, sixty-six (66) complaints were filed for Cobb County, averaging less than 10 per year. The process of filing a complaint with the State of Georgia includes documenting the basis and issue of the discriminatory action. The majority of the complaints was based on racial discrimination and comprised 30 percent of overall complaints. Complaints based on disability comprised 11 percent of the overall complaints. The most prevalent issue [38 percent] was "Terms and Conditions in Rental." Fourteen [14] percent of the issues were for "Refusal to Rent."

### Assessment of Current Impediments to Fair Housing Choice in Cobb County, Georgia

Using Census Data, Home Mortgage Disclosure Act [HMDA] report data, responses from survey questions, and input regarding Fair Housing discrimination complaints, the CDBG Program Office assessed the scope and impact of potential impediments to fair housing choice in Cobb County. At the end of each of the identified impediments sections, survey responses regarding each impediment were included to “cast light” on public perception of the impediments in Cobb County. The impediments identified for Cobb County residents include:

- Limited Supply of Affordable Housing;
- Banking Practices that Limit Fair Housing Choice;
- Housing Brokerage Policies, Procedures that Restrict Fair Housing Choice;
- Regulatory Barriers;
- Neighborhoods without Effective Public Transportation to Jobs and Job Training Opportunities and for Disabled Residents; and
- Disproportionate Concentration of Affordable Housing and Minorities in Declining and Deteriorating Neighborhoods.

### Analysis of Scope and Impact of Fair Housing Initiatives in Cobb County, Georgia

Cobb County has made significant progress in many areas since the last publication of the AI including the creation of Cobb Housing, Inc [CHI], the Community Housing Development Organization [CHDO] for Cobb County. Also, use of CDBG and HOME funds has provided homebuyer education, housing rehabilitation, reconstruction of existing housing, and a large number of new homes constructed across the County.

Residents of Cobb County have access to various homebuyer programs and services through multiple agencies, such as the Georgia Department of Community Affairs (DCA), CHI, Cobb County Housing Rehabilitation Program, Cobb County Habitat for Humanity, the United Way of Metropolitan Atlanta, the Marietta Housing Authority, local Public Housing Authorities and Section 8 agencies. Additionally, CHI has established partnerships with numerous local lenders. Their efforts to solicit involvement by local and national mortgage lenders in low income housing financing in Cobb County has helped ensure that fair housing options are available to low income and minority residents.

The Cobb Association of Realtors conducts an extensive training program for real estate agents in Cobb County on Fair Housing requirements and procedures. The training program [which is offered at new member orientation] includes a DVD presentation developed by the National Association of Realtors and is required for all new members of the Cobb Association of Realtors. Additionally, the National Association of Realtors requires each member to attend an ethics course to continue membership. The Cobb Association of Realtors also offers three-hour continuing education courses such as “ADA and Fair Housing,” “Ethics in Real Estate,” and “Legal Issues for Agents.”

### Planned Actions to Overcome Identified Impediments to Fair Housing Choice

This document includes measurable, attainable intentions of the Cobb County CDBG Program Office based on the research findings in the compilation of data in updating the AI. The actions are outlined and include dates for intended implementation.

### **FUTURE REVISIONS AND ADDITIONS TO THIS DOCUMENT WILL BE PLACED IN THE APPENDIX SECTION.**

## INTRODUCTION

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Each year, the U.S. Department of Housing and Urban Development [HUD] requires entitlement grantees, such as Cobb County, to submit a certification that they will affirmatively further fair housing, and that their grants will be administered in compliance with Title VI of the Civil Rights Act of 1964 and the Fair Housing Act of 1968. Title VIII of the Civil Rights Act of 1968, as amended, commonly known as the Fair Housing Act, prohibits discrimination in the sale or rental of housing on the basis of race, color, religion, sex, and national origin. The Act was amended in 1988 to provide stiffer penalties, establish an administrative enforcement mechanism and expand its coverage to prohibit discrimination on the basis of familial status and disability. The Act also requires the Secretary of HUD to administer the Department's Housing and Community Development Programs in a manner that affirmatively furthers fair housing.

One method by which entitlement grantees may meet their obligation to further fair housing is by developing an "Analysis of Impediments to Fair Housing Choice [AI]. Such an "Analysis" identifies the impediments to fair housing choice in the jurisdiction, assesses current fair housing initiatives, and describes further actions the jurisdiction will take to overcome the identified impediments. If a grantee identifies local impediments to fair housing choice and takes actions that address the impediments, then HUD will presume that the grantee is meeting its obligation and certification to affirmatively further fair housing.

Through this process, the jurisdiction promotes fair housing choices for all persons, provides opportunities for racially and ethnically inclusive patterns of housing occupancy, and promotes housing that is physically accessible and usable by persons with disabilities.

In carrying out its local Analysis of Impediments to Fair Housing Choice, Cobb County has relied upon the following definitions as outlined by HUD:

1. **Fair Housing Choice**—the ability of persons of similar income levels to have available to them the same housing choices regardless of race, color, religion, sex, national origin, familial status, or handicap.
2. **Impediments to Fair Housing Choice**—any actions, omissions, or decisions taken because of race, color, religion, sex, national origin, familial status, or disability which restrict housing choices or the availability of housing choices, or any actions, omissions, or decisions that have the effect of such restrictions.





## METHODOLOGY

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The Cobb County CDBG Program Office, under the direction of W. Frank Newton, Inc., conducted the *Analysis of Impediments [AI] to Fair Housing Choice*. The CDBG Program Office carried out the following ten (10) step process in completing the AI:

1. Analyzed the demographic data for Cobb County to use as a reference tool for discussion of Fair Housing impediments. Data from the U.S. Census, Georgia Office of Planning and Budget, Federal Financial Institutions Examination Council [FFIEC], and the Cobb County Data Report were utilized.
2. Constructed an “Affordable Housing Snapshot” for Cobb County using household expenditure averages to ascertain what it means “in dollars and cents” to live affordably in Cobb County.
3. Compiled a comprehensive list of potential impediments to Fair Housing choice that may have a presence and impact in Cobb County. The Fair Housing Planning Guide, published by the Office of Fair Housing and Equal Opportunity at HUD, was used as a reference in this process.
4. Reviewed the 2004 Atlanta Neighborhood Development Partnership/Mixed Income Communities Initiatives Report, Fair Share Housing in the Atlanta Region published in the Fall 2003 by the Georgia Tech City and Regional Planning Department and the Cobb County CDBG Program Office 2006-2010 Consolidated Plan to gather background information on housing needs in Cobb County, and any previous actions taken to promote fair housing in Cobb County.
5. Conducted an online, community-wide survey of housing professionals in the public and private sectors which included lending and banking professionals, real estate professionals, nonprofit professionals, and government officials to ascertain perceptions of the housing market and housing-related services in Cobb County. The survey responders were selected based on their background and experience in their respective fields in an attempt to get a varied and more importantly, balanced viewpoint. This survey yielded a 47 percent response rate. Survey responses and comments are presented in abbreviated form at the end of each section of this document. Full results are available in Appendix A.
6. Conducted an analysis of Home Mortgage Disclosure Act [HMDA] data to identify any restrictions in banking practices in Cobb County. The results examined HMDA data from 2004 and 2005 to identify any differences in loan origination and denial rates among minorities, low to moderate income persons, and the general population.
7. Collected fair housing complaints data from HUD’s Fair Housing and Equal Opportunity [FHEO] Office via the Freedom of Information Act. Complaints were also collected from the Fair Housing Division of the Georgia Commission on Equal Opportunity. The data was collected to assimilate the scope and impact of impediments to Fair Housing choice in Cobb County. An investigation of housing practices in the area was also collected from the National Fair Housing Alliance Housing Segregation Background Report: Atlanta, published October 11, 2005.
8. Analyzed the scope and impact of each identified potential impediment in Cobb County.
9. Analyzed the scope and impact of actions and programs undertaken in Cobb County to promote Fair Housing through a review of training and programs offered to real estate professionals and the general public by the Cobb Association of Realtors, Cobb Housing, Inc., (CHI) [the Community Housing Development Organization [CHDO] for Cobb County, and Cobb County Habitat for Humanity.
10. Developed options for Fair Housing Action Programs based on conclusions from the above referenced steps; formulated priorities for implementation and enhancement of Fair Housing actions; and formulated timetables, milestones, and measurable results for implementation of proposed Fair Housing actions.



## DEMOGRAPHY OF COBB COUNTY, GEORGIA

### Population:

Cobb County is part of the 28-County Atlanta Metropolitan Area, one of the fastest growing areas in the country. Cobb County's estimated 2005 population was 663,818. This reflected a 9.2 percent increase over the 2000 population of 607,751. Projected population for the year 2010 is 775,877, a 28 percent increase over the 2000 population. By 2015, it is projected that 801,883 people will reside in Cobb County, totaling a 32 percent increase in population over a 15-year time period. **Table 1** shows prior and projected population growth throughout Cobb County. It shows consistent growth that is expected to continue through 2015. **Table 2** shows the growth rate in Cobb County's six (6) municipalities: Acworth, Austell, Kennesaw, Marietta, Powder Springs, and Smyrna.

**TABLE 1**  
**ANNUAL POPULATION 2000-2015**  
**COBB COUNTY, GEORGIA**

Year	Population	% Change
2000	607,751	--
2001	626,806	3.1%
2002	638,349	1.8%
2003	645,820	1.2%
2004	654,649	1.4%
2005	663,818	1.4%
2006	668,057	0.6%
2010	775,877*	16%
2015	801,883*	3.4%

\* Projections calculated by the Georgia Office of Planning and Budget ([www.opb.state.ga.us](http://www.opb.state.ga.us))

**TABLE 2**  
**MUNICIPALITY CHANGES IN POPULATION 1990-2005**  
**COBB COUNTY, GEORGIA**

City	1990	2000	2005	1990-2000 % Change	2000-2005 % Change
Acworth	4,519	13,422	18,428	197 %	37%
Austell	4,173	5,359	6,566	28 %	23%
Kennesaw	8,936	21,675	30,522	143 %	41%
Marietta	44,129	58,748	61,261	33 %	4%
Powder Springs	6,893	12,481	14,507	81 %	16%
Smyrna	30,981	40,999	47,643	32 %	16%
<b>Total Cities</b>	<b>99,631</b>	<b>152,684</b>	<b>178,927</b>	<b>53%</b>	<b>17%</b>

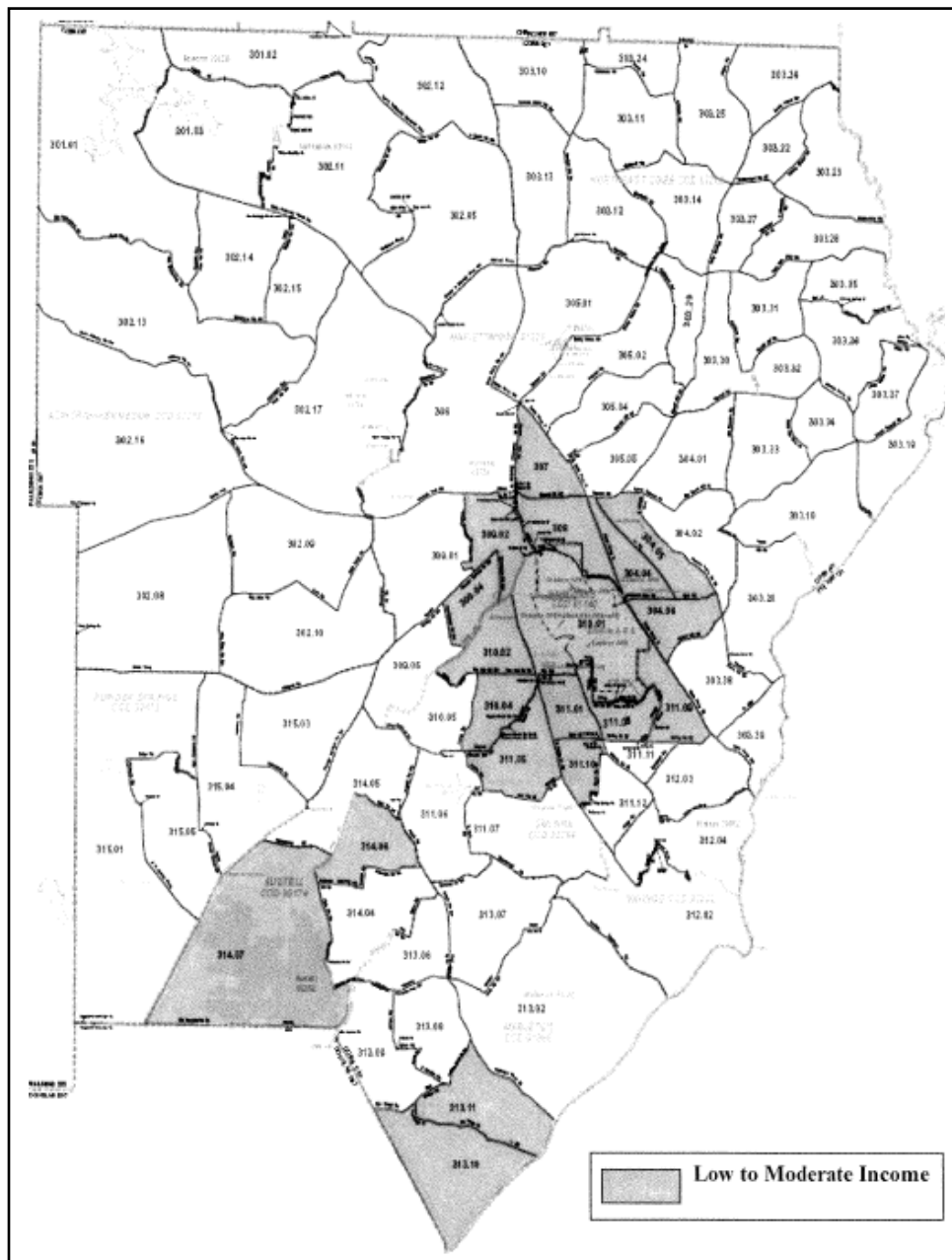
Source: U.S. Census Bureau

## Income Characteristics

Cobb County is one of the most affluent counties in Georgia. Median family income in Cobb County is \$71,188, significantly higher than the national median family income of \$55,832. A broad range of employment and business opportunities are available within Cobb County. Despite the County's affluence, lack of income is a problem for many families in Cobb County. **In 2005, 11 percent, or 18,656, of the 166,606 total households in Cobb County had incomes below \$24,999 [30% of the 2005 Atlanta MSA median family income of \$71,188]. Approximately 49 percent of households in Cobb County make at or below 80% [low to moderate income] of the county-wide median income of \$71,188.**

Cobb County is 340 square miles in size, and like most urban counties, has a more scattered low to moderate income population than many central cities. Low to moderate income families in Cobb County are largely found in the southwest areas of the County in Mableton, Austell and Powder Springs; in the Fair Oaks Community; the City of Smyrna; the City of Marietta; and in the Kennesaw/Acworth area in north Cobb County. **Map 1** shows the concentrations of low to moderate income residents throughout the County. The highlighted Census Tracts display where 51 percent or more of the residents are low to moderate income.

**MAP 1: COBB COUNTY LOW TO MODERATE INCOME BY CENSUS TRACT**



## Racial/Ethnic Characteristics

Cobb's rapid growth has caused significant changes to its demographics. Many neighborhoods have changed from predominantly white or black to mixed composition. Since 1990, racial and ethnic minority groups have increased their population in Cobb County. In 2000, the Cobb County household population was 600,457, which reflected an increase of 155,766 households from 444,691 households in 1990. **Table 3** shows a shift in the racial breakdown of households from 1990 to 2000.

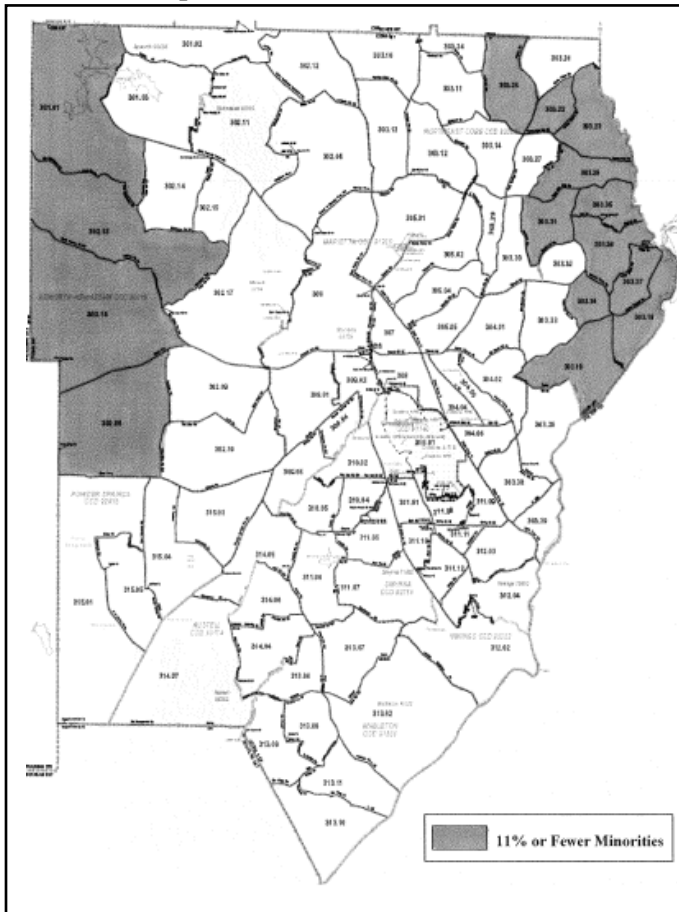
**TABLE 3**  
**HOUSEHOLDS BY RACE PERCENTAGE**  
**COBB COUNTY, GEORGIA**

Race	1990 Percentage Households	2000 Percentage Households	% Change
Caucasian	87	72.4	-12%
Black	10	18.8	+8%
Hispanic	2	7.7	+3%
Asian	0.5	3.1	+2%

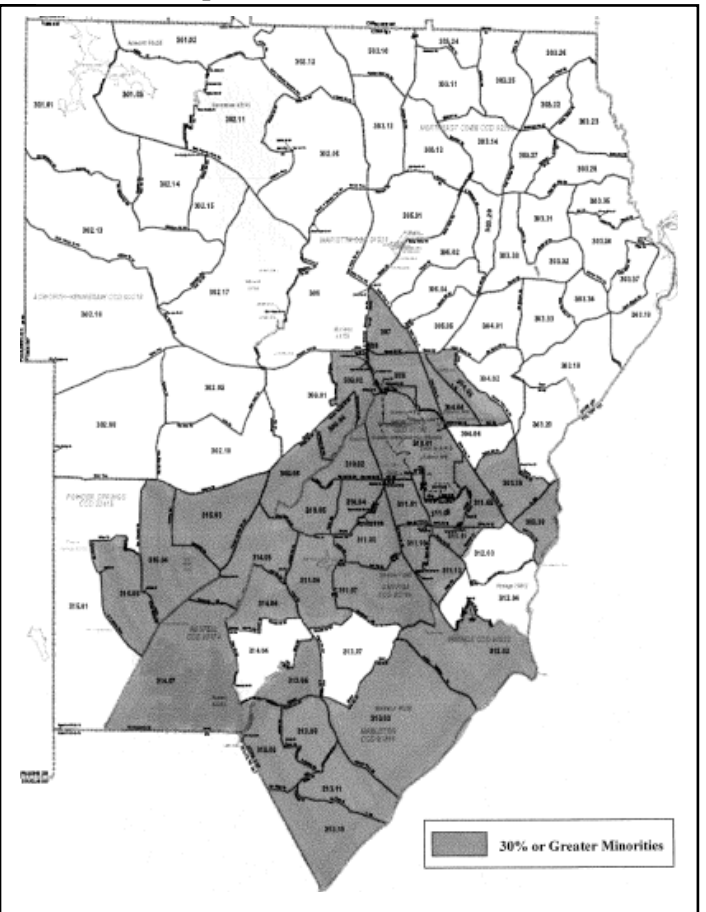
Source: U.S. Census Bureau

However, minority population varies significantly between Census Tracts in Cobb County. Many parts of Cobb County are still populated predominantly with either Caucasian households or predominantly minority households. **Map 2** outlines the Census Tracts whose populations are comprised of 11 percent or fewer minorities while **Map 3** outlines tracts where populations are comprised of 30 percent or more minorities.

**Map 2: 11% or Fewer Minorities**



**Map 3: 30% or Greater Minorities**



There is a disproportionate percentage of minorities who have incomes in the lower-income categories. Out of the sixteen [16] Census Tracts in Cobb County that fall in the low income range, all but one (1) of the Census Tracts have more than 50 percent minorities. Eighteen percent of all Census Tracts in Cobb County are low income. Seventeen percent of all Census Tracts in Cobb County are moderate income. **Table 4** outlines the minority populations in the Census Tracts deemed “low income.”

**TABLE 4**  
**CENSUS TRACT INCOME LEVEL AND PERCENTAGE MINORITY**  
**COBB COUNTY, GEORGIA**

Tract Code	Tract Income Level	% of Median Income Earned	Tract % Minority
304.04	Low	57	76
304.06	Low	74	69
307.00	Low	53	70
308.00	Very Low	47	62
309.02	Low	66	60
310.01	Low	61	61
310.02	Low	52	69
310.04	Low	67	59
311.01	Low	62	56
311.05	Low	78	58
311.08	Low	72	61
311.09	Low	75	63
311.10	Low	71	44
313.10	Low	69	87
313.11	Low	68	85
314.06	Low	77	53

*Source: 2006 FFIEC (Federal Financial Institutions Examination Council) Census Report*

Fifty-one percent of Census Tracts in Cobb County are considered “high-income” [income earned being greater than 120 percent of median income]. Twenty five percent of those tracts are comprised of ten percent or less minorities. The other high income Census Tracts have minority percentages ranging from 11 to 27 percent. **Table 5** outlines the low percentages of minorities in the tracts:

**TABLE 5**  
**CENSUS TRACT INCOME LEVEL AND PERCENTAGE MINORITY**  
**COBB COUNTY, GEORGIA**

Tract Code	Tract Income Level	% of Median Income Earned	Tract % Minority
302.08	High	148	10
302.09	High	131	16
302.10	High	146	21
302.12	High	138	20
302.13	High	163	8
302.14	High	123	14
302.15	High	123	18
302.16	High	168	7
302.17	High	152	13
303.10	High	120	19
303.11	High	134	13
303.12	High	127	17
303.13	High	126	21
303.14	High	152	14
303.18	High	202	10
303.19	High	173	10
303.20	High	181	16
303.22	High	167	11
303.23	High	175	10
303.24	High	136	13
303.25	High	160	10
303.26	High	187	9
303.27	High	157	14
303.28	High	183	11
303.29	High	141	17
303.30	High	157	14
303.31	High	171	10
303.32	High	186	13
303.33	High	182	13
303.34	High	170	10
303.35	High	183	7
303.36	High	235	9
303.37	High	219	8
304.01	High	135	20
305.02	High	123	27
309.01	High	120	22
312.03	High	126	26
312.04	High	179	15
313.17	High	120	22

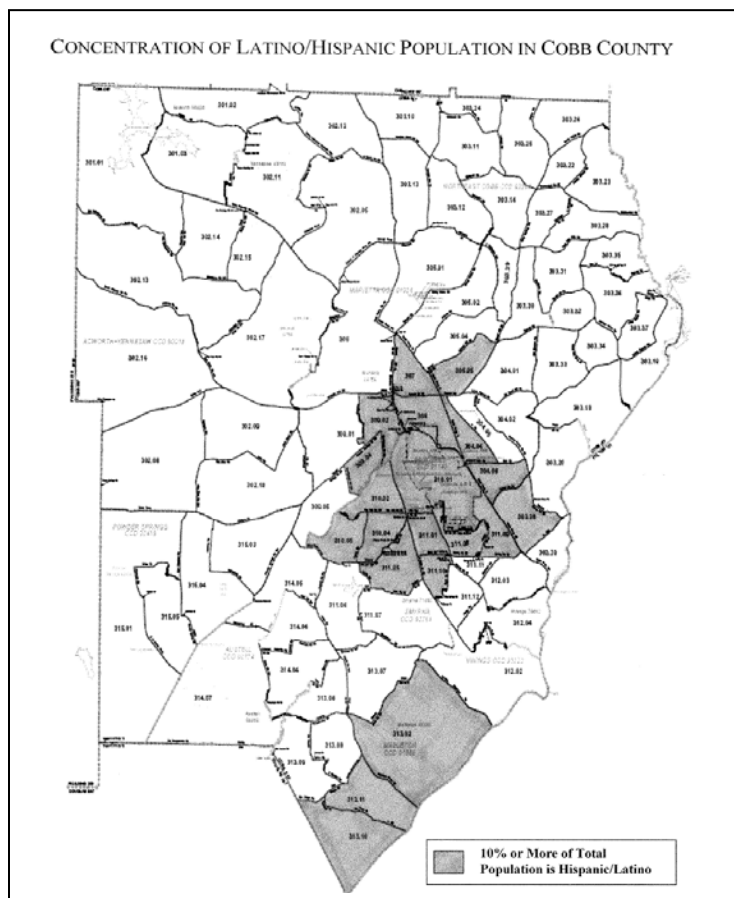
The most notable change in Cobb County is the considerable increase in the Hispanic/Latino population. Since 1990, the Hispanic/Latino population has grown 632% from 9,403 persons in 1990 to 68,830 persons in 2005, the largest increase by far among the racial/ethnic groups that reside in Cobb County. In many low-income Census Tracts, Hispanic/Latino residents comprise 25 percent or more of the total residents in the Tract. For the remaining Census Tracts that are not comprised of more than 10 percent Latino/Hispanic residents, the average percentage of Hispanic/Latino residents in those areas is 4.2 percent, creating concentrations of Latinos in certain areas of Cobb County. The increase in the number of Hispanic/Latino residents in Cobb County has necessitated an increase in services and outreach provided by County agencies, nonprofit organizations, and others. **Table 6** and **Map 4** outline the concentrations of the Latino/Hispanic residents in low and very low income Census Tracts in Cobb County.

**TABLE 6**  
**CENSUS TRACT INCOME LEVEL AND PERCENTAGE HISPANIC/LATINO**  
**COBB COUNTY, GEORGIA**

Tract Code	Tract Income Level	% of Median Income Earned	Tract % Hispanic/Latino
304.04	Low	57	27
304.06	Low	74	13
307.00	Low	53	17
308.00	Very Low	47	33
309.02	Low	66	32
310.01	Low	61	36
310.02	Low	52	34
310.04	Low	67	17
311.01	Low	62	28
311.05	Low	78	19
311.08	Low	72	11
311.09	Low	75	21
311.10	Low	71	28
313.10	Low	69	15
313.11	Low	68	19
314.06	Low	77	6

Source: U.S. Census Bureau

**MAP 4: COBB COUNTY 10% OR GREATER HISPANIC/LATINO POPULATION BY CENSUS TRACT**



Twelve “Cost of Living” scenarios have been prepared to offer details of what constitutes reasonable, average monthly household expenses for Cobb County families (one and four-person households) at four graduated income levels; varying from the “middle” income bracket [120% and 100% of the median income] down to the “very low/low” income brackets [60% and 80% of the median income].

**Family of 4 in Cobb County, Georgia:**

<b>% Median Income</b>	<b>Annual Gross Income</b>	<b>Monthly Gross Income</b>	<b>Annual Net Income</b>	<b>Monthly Net Income</b>
120	\$85,424	\$7,119	\$52,109	\$4,342
100	\$71,187	\$5,932	\$43,424	\$3,619
80	\$56,950	\$4,746	\$40,435	\$3,370
60	\$42,713	\$3,559	\$30,326	\$2,527

**Family of 1 in Cobb County, Georgia**

<b>% Median Income</b>	<b>Annual Gross Income</b>	<b>Monthly Gross Income</b>	<b>Annual Net Income</b>	<b>Monthly Net Income</b>
120	\$59,774	\$4,981	\$36,462	\$3,039
100	\$49,812	\$4,151	\$30,385	\$2,532
80	\$39,850	\$3,321	\$24,309	\$2,026
60	\$29,888	\$2,491	\$21,220	\$1,768

*\*\* Net Income for the brackets was figured by deducting Federal taxes (25% or 15% based on income level), Georgia State Tax (5%), Medicare tax (2%), and Social Security tax (7%) from Annual Gross Income\*\**

For each scenario, the assumption is made that the family owns a \$150,000 home and is paying a monthly note on a six percent/ 30 year mortgage. The objective of producing these scenarios is to illustrate how difficult, or even unfeasible, it is for these families at their income levels to pay a \$150,000 home mortgage knowing their other financial obligations. The scenarios are presented in an attempt to establish what housing costs can be construed as affordable for low and middle income families in Cobb County.

Other household expenses differ from scenario to scenario due to various assumptions. Estimates for expenses were compiled from online resources including YAHOO! Real Estate, The Council for Community and Economic Research, and other estimations. These figures could change based on government assistance and other sources of financial support provided to individuals and families that offset costs over what is available from employment earnings. In all scenarios, expenses shown are deemed to be reasonable but not all inclusive and other expenses could be encountered. On the other hand, some expenses could be reduced through careful planning and budgeting.

It is readily apparent from these scenarios, if taken as a reasonable measuring stick for affordable homeownership, that most of the families portrayed in these scenarios should be rated “risky” homebuyers by lenders and, if extended mortgages, should be subjected to serious underwriting criteria as well as and budget counseling before getting loans. When underwriting, using net income figures instead of gross income figures is a recommended starting point.

Close analysis of the twelve scenarios show that owning a \$150,000 home (6 percent/30 year mortgage) can be stressful financially for all families making 100 percent of the median income and very stressful financially, or virtually untenable for families in the 80 and 60 percent ranges; without significant downpayment assistance in most cases. Families making 120 percent of median income are more likely to make ends meet buying a \$150,000 home except in those cases when both parents work and day care expenses is a necessity and transportation and medical costs are high.



The current high rate of foreclosures can be attributed, in many instances, to we are experiencing at this time has been accelerated by “loose” underwriting and the use of adjustable rate mortgages to benefit many low to middle income homebuyers who are inadequately prepared financially to buy houses t hat are truly not affordable for them. Assisting homebuyers on the margin who face unexpected or unaddressed potential expenses can lead to mortgage paying nightmares for them down the road. These scenarios reflect how easy it is for homeowners to get in trouble purchasing a \$150,000 home, let alone a more expensive home. From the use and analysis of these scenarios, it can be argued that:

1. Affordable housing for median income homebuyers should cost no more than \$150,000 and actually less for the majority of families; and
2. As high as \$160,000 assuming that downpayment resources and closing costs (personal resources or government/developer subsidies) are brought to the closing by the homebuyer.

**A detailed look at the scenarios can be found in Appendix A.**

#### **HOUSING DISCRIMINATION COMPLAINTS SUMMARY FOR COBB COUNTY, GEORGIA**

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Housing discrimination complaint data was gathered for Cobb County for the time period of January 2000 through January 2007 and was provided by the Fair Housing Division of the Georgia Commission on Equal Opportunity. Between 2000 and 2007, sixty-six (66) complaints were filed for Cobb County, totaling less than 10 per year. **Table 7** provides a summary of the number of complaints per year.

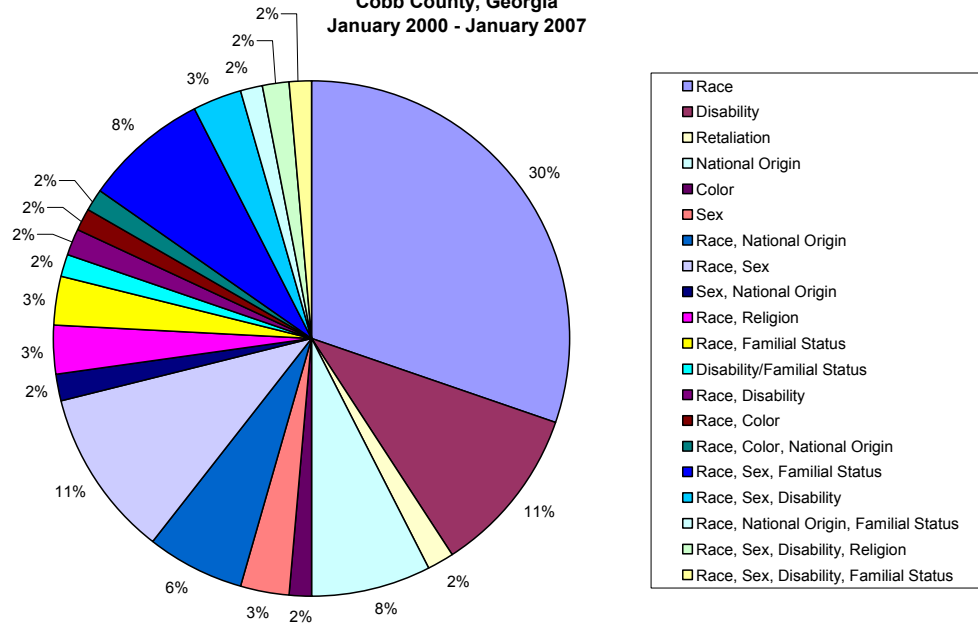
**TABLE 7**  
**TOTAL HOUSING DISCRIMINATION COMPLAINTS**  
**COBB COUNTY, GEORGIA**

<b>Year</b>	<b>Number of Complaints</b>
2000	10
2001	7
2002	17
2003	13
2004	6
2005	5
2006	6
Jan-07	2

*\*Source: Fair Housing Division, Georgia Office on Equal Opportunity*

The process of filing a complaint with the State of Georgia includes documenting the basis and issue of the discriminatory action. **Chart 1** shows the complaints filed by basis. The majority of the complaints was based on racial discrimination and comprised 30 percent of overall complaints. Complaints based on disability comprised 11 percent of the overall complaints. **Chart 1** displays all complaints filed by basis.

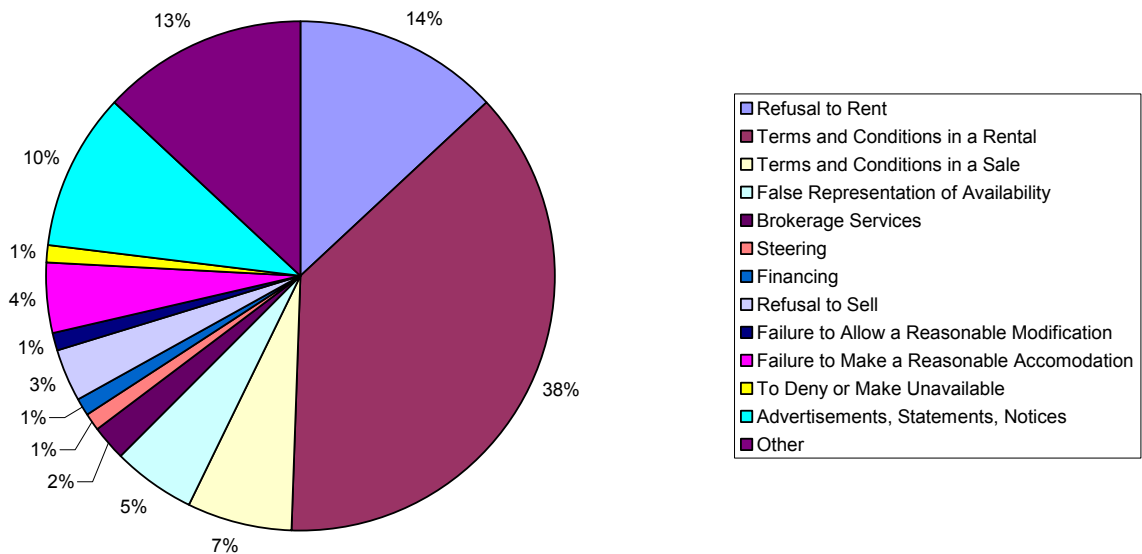
**Chart 1**  
**Fair Housing Complaints filed by Basis**  
**Cobb County, Georgia**  
**January 2000 - January 2007**



\*Source: Fair Housing Division, Georgia Office on Equal Opportunity

**Chart 2** organizes the complaints filed by Issue. The most prevalent issue [38 percent] was “Terms and Conditions in Rental.” Fourteen [14] percent of the issues were for “Refusal to Rent.” The chart also outlines the percentages of each issue that was filed between January 2000 and January 2007.

**Chart 2**  
**Housing Discrimination Complaints Filed by Issue**  
**2000-2007**  
**Cobb County, Georgia**



## DESCRIPTION OF ASSESSMENT OF IMPEDIMENTS TO FAIR HOUSING CHOICE IN COBB COUNTY, GEORGIA

Using Census data, Home Mortgage Disclosure Act [HMDA] report data, and input regarding fair housing discrimination complaints, the CDBG Office has assessed the scope and impact of potential impediments to fair housing choice in Cobb County.

### **Limited Supply of Affordable Housing:**

Affordability is an important issue in regard to the basic need to secure decent housing. It is also a significant factor in our ability to select housing which meets the variety of needs unique to each family unit. Can we find housing which is close to our job, is in a community with a low crime rate, is convenient to transportation, has good recreation facilities, and has good schools?

One of the key words in the Fair Housing statute is **“choice.”** If we can find affordable housing in only one, or a few neighborhoods in the community where we live, then real **choice** is not available. Thus, one of the measures of fair housing in Cobb County must be a review of the availability of affordable housing in a variety of settings.

The U.S. Department of Housing and Urban Development [HUD] uses a standard which states no more than 30 percent of a family’s income should be required for housing-related expenses (rent and utilities). Such a standard allows sufficient income for other basic elements of living. The average cost of a new, single-family home in Cobb County in 2005 was \$190,000. The average mortgage monthly payment in Cobb County is \$1,236. Average rent is \$806 per month. 72,070 [30%] of Cobb households have a cost burden greater than 30 percent of their income to purchase a home in the County. This means that 30 percent of Cobb households cannot afford a \$120,000 entry level home in Cobb. Almost one out of every five households [41,204] in Cobb does not have sufficient income to afford the average rent.

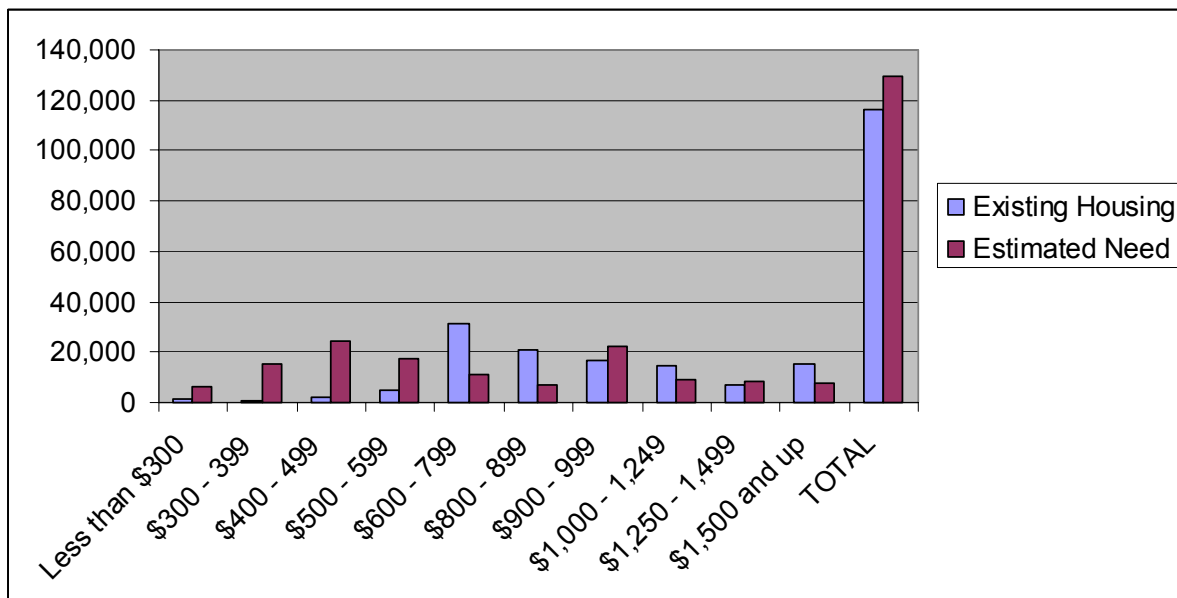
Analysis by the CDBG Program Office in preparing its Consolidated Plan for 2006-2010 demonstrates a significant shortage of affordable housing in Cobb County to meet the needs of many of its low and moderate income residents. Further research drawn from Fair Share Housing in the Atlanta Region published by the Georgia Institute of Technology City and Regional Planning Department revealed that this shortage exists for both renters and homebuyers. **Table 8** and **Chart 3** shows the shortage of affordable housing units by the dollar amount low to moderate income persons are able to pay.

**TABLE 8**  
**DEFICITS IN AFFORDABLE HOUSING IN COBB COUNTY, GA BASED ON ABILITY TO PAY**

<b>Household Income</b>	<b>Affordable Rent or House Payment</b>	<b>Existing Housing</b>	<b>Estimated Need</b>	<b>(Deficiency) or Surplus</b>
Less than \$15,000	Less than \$300	1,732	6,478	(4,746)
\$15,000 - 19,999	\$300 - 399	1,024	15,231	(14,207)
\$20,000 - 24,999	\$400 - 499	2,278	24,712	(22,434)
\$25,000 - 29,999	\$500 - 599	4,732	17,596	(12,864)
\$30,000 - 34,999	\$600 - 799	31,352	11,299	20,053
\$35,000 - 39,999	\$800 - 899	21,007	6,981	14,026
\$40,000 - 49,999	\$900 - 999	16,963	22,078	(5,115)
\$50,000 - 59,999	\$1,000 - 1,249	14,539	8,829	5,710
\$60,000 - 74,999	\$1,250 - 1,499	7,246	8,640	(1,394)
\$75,000 and up	\$1,500 and up	15,182	7,624	7,558
<b>TOTAL</b>		<b>116,055</b>	<b>129,464</b>	<b>(13,409)</b>

*Source: Fair Share Housing in the Atlanta Region, fall 2003*

**CHART 3**  
**EXISTING SUPPLY VERSUS ESTIMATED NEED HOUSING STOCK BY PRICE**  
**COBB COUNTY, GA**



*Source: Fair Share Housing in the Atlanta Region, fall 2003*

The limited supply of affordable housing restricts the “choice” low income households have of finding housing without causing a cost burden, or other housing problems such as overcrowding or deteriorating conditions. Since a greater percentage of minorities fall into these low income categories, the “limited supply of affordable housing” becomes an impediment to fair housing choices for a greater percentage of minority residents than the overall Cobb population.

#### ***Survey Response:***

Nine (9) out of the 19 survey respondents (47.4%) believed that “limited overall supply of affordable housing” is an impediment to fair housing choice in Cobb County.

Six (6) out of the 19 respondents (31.6%) believed that there is a limited number of housing for persons with disabilities.

One respondent commented “Eliminating public housing and replacing it with housing out of reach of low income families” is part of the issue of the limited supply of affordable housing.

Another respondent commented “the ‘affordable housing’ that is being built is not affordable for the low income population. It is barely affordable for professionals such as police, teachers, etc.”

***A summary of responses and comments can be viewed in Appendix A of this document.***

#### **Banking Practices That Limit Fair Housing Choice:**

Banking practices clearly impact the ability of families and individuals to obtain housing of their choice. Any practices by the banking industry which limit one’s ability to obtain financing automatically limit the ability to exercise housing choice. One of the best indicators of the fairness of banking practices in the home mortgage industry is obtained through data gathered under the Home Mortgage Disclosure Act [HMDA]. The Home Mortgage Disclosure Act (HMDA) was enacted by Congress in 1975 and is implemented by the Federal Reserve Board’s Regulation C. This regulation provides the public with loan data that can be used to assist in determining the following:

- Whether financial institutions are serving the housing needs of their communities; and
- Identifying possible discriminatory lending patterns.

This regulation applies to certain financial institutions, including banks, savings associations, credit unions, and other mortgage lending institutions. HMDA data reports on the receipts of home mortgage applications, the origination of loans and the denial of loan applications. This information can be used to assess the “apparent” extent to which mortgage loans are made in proportion to the portion of the population that a racial group or income level group comprises within the general population. **However, HMDA data is only an indicator of “possible” discrimination. Individual mortgage application files are confidential, thus, only statistical summaries can be viewed.** Other factors such as income, credit history, housing availability, and service areas may affect the extent to which mortgage applications are received and/or approved.

The CDBG Program Office has reviewed HMDA data on the 2004 and 2005 home loan/mortgage activity in Cobb County. The number of applications and loan originations for the white, black, and Hispanic populations were considered and calculated as individual universe sets to avoid discrepancies created by calculating the occurrences as part of one universe such as total number of applications and originations regardless of race. Hence, the method used to calculate origination percentage is indicative of percentage inside an individual universe, with black, white, and Hispanic totals serving as their own universe (Example: Of the  $n$  applications submitted by black applicants,  $n\%$  originated into loans).

Between 2004 and 2005, white applicants submitted a total of 242,290 applications and black applicants submitted 173,035 loan applications. Seventy-seven percent [77%] of applications submitted by white applicants resulted in loan originations while fifty-seven percent [57%] of applications submitted by black applicants resulted in loan originations. Hispanic applicants fared relatively better than black applicants. Sixty-seven percent [67%], or 18,547, of the 27,789 applications submitted resulted in loan origination. **Table 9** shows applications and originations by all race/ethnicity characteristics as reported via HMDA.

**TABLE 9**  
**2004-2005 HMDA LOAN ORIGATION RATE BY RACE/ETHNICITY OF APPLICANT**  
**COBB COUNTY, GEORGIA**

Race/Ethnicity of Applicant	Number of Applications	Number of Originations	Origination Rate
American Indian/Alaska Native	1,945	1,102	57%
Asian	19,811	14,196	72%
Black or African American	173,035	99,480	57%
Native Hawaiian/Pacific Islander	1,779	1,081	61%
White	242,290	185,676	77%
2 or more Minority Races	390	264	68%
Joint (White/Minority Race)	3,279	2,492	76%
Race Not Available	73,595	39,580	54%
Hispanic or Latino	27,789	18,547	67%

*Source: Home Mortgage Disclosure Act data for Cobb County, 2004-2005*

Data was also analyzed regarding organized loan applications and originations by the income level of the applicant. Between 2004 and 2005, “very low-income” applicants submitted 46,958 applications, “low-income” applicants submitted a total of 145,194 applications, “moderate-income” applicants submitted 73,746 applications, “middle-income” applicants submitted 60,068 applications, and “high-income” applicants submitted 160,589 applications. The loan origination rates for each income level were relatively similar with the exception of the very-low income category. Applications from “very-low income” applicants resulted in fifty-seven percent [57%] loan origination while the other income categories had loan origination rates of sixty-seven [67] to seventy [70] percent. **Table 10** shows applications and originations by income levels as reported via HMDA.

**TABLE 10**  
**2004-2005 HMDA LOAN ORIGATION RATE BY INCOME OF APPLICANT**  
**COBB COUNTY, GEORGIA**

Income of Applicant	Number of Applications	Number of Originations	Origination Rate
<50% of MSA (very low)	46,958	27,333	58%
51-79% MSA (low)	145,194	96,973	67%
80-99% MSA (moderate)	73,746	49,912	68%
100-119% MSA (middle)	60,068	40,712	68%
>120% MSA (high)	160,589	112,678	70%
Unknown	28,929	16,623	57%

*Source: Home Mortgage Disclosure Act data for Cobb County, 2004-2005*

In general, the report suggests that white buyers experience a higher rate of loan origination and a lower rate of loan denials than minorities. However, there is variation among Census Tracts, and among Tracts with varying incomes and percentages of population comprised by minorities. No definitive conclusion can be drawn from the HMDA data at this point. **Further study and data for a greater number of years is needed to determine why the mortgage approval rate is higher for whites than it is for the Black and Hispanic populations.** Other factors such as low income and poor credit history certainly influence the origination and denial rates as well.

However, one must also consider whether or not there are discriminatory banking practices that may be causing this approval rate. The data certainly allows for this possibility and indicates the need for further analysis of the market. The origination and denial rates are somewhat similar to the rates reported by HMDA in 1995. At that time, as reported in the Cobb County AI document, sixty-six percent [66%] of black applicants received mortgages compared to seventy-seven percent [77%] of white applicants receiving mortgages. The rates for Hispanic applicants have remained relatively the same since 1995. The differences in rates might suggest a limited use of unfair practices by only a few individuals or lenders, **not a widespread issue.**

Lenders report reasons for denial of any loan reported under HMDA. Several common reasons for application denials include:

- 1) Poor Credit History;
- 2) Debt to Income Ratio;
- 3) Collateral;
- 4) Insufficient Cash;
- 5) Employment History;
- 6) Mortgage Insurance Denied;
- 7) Incomplete Application; and
- 8) Property Appraisal.

To address these issues, lenders in many communities work effectively with local nonprofits and local governments to develop appropriate services to help potential homebuyers through these purchase hurdles. Successful programs include:

- 1) Credit Counseling;
- 2) In-Depth Home Buyer Education;
- 3) Affordable Housing Mortgage Programs;
- 4) Flexible Underwriting Criteria;
- 5) Portfolio Loan Products;
- 6) Loan Pools;
- 7) Specially-trained loan officers to work with first-time home buyer clients; and
- 8) Education for Appraisers unfamiliar with low-income areas.

The HMDA data only reflects those home buyers who make it to the mortgage application stage. The data does not show how many people may be discouraged from submitting applications. The data also fails to show:

- 1) How many people might be steered to certain loan products;
- 2) How many comparable people are quoted different loan products and rates;
- 3) How many people are affected by the “thicker file” syndrome (bank regulators have identified that most white applicants have thicker loan files than black applicants—indicating that they are given more opportunities to explain certain conditions of their application;
- 4) How many people are discouraged from applying for a loan; or
- 5) How many people are discouraged from buying in Cobb County.

To fully identify violations of Fair Housing laws, the real estate industry (real estate agents, lenders, and apartment complexes) should be assessed so their treatment of potential customers can be objectively measured.

**Survey Response:**

One (1) respondent (5.3%) believed that banking practices such as loan origination and processing, prescreening, assessing credit, appraising and appraiser selection, underwriting decisions, etc. is a potential impediment to fair housing choice in Cobb County. One (1) respondent (5.3%) believed “redlining” or unwillingness of financial institutions to invest in declining neighborhoods, neighborhoods with high concentration of minorities, or neighborhoods undergoing cultural and social change is a potential impediment to fair housing choice in Cobb County.

Two (2) respondents (10.5%) believed that unequal application of “compensating factors” for credit assessments of minorities, that the mortgage/loan rejection occurs at a higher rate for minorities, and that minorities are offered less favorable “loan terms” in Cobb County.

***A summary of responses and comments can be viewed in Appendix A of this document.***

**Housing Brokerage Policies, Procedures, and Practices that Restrict Fair Housing Choice:**

Housing brokerage practices may significantly affect the ability of prospective buyers, [including minorities, women, and handicapped persons], to find housing of their choice. Brokers and sales agents are required by law not to limit the housing stock shown, or made known, to potential buyers or renters based on race, color, religion, sex, national origin, familial status, or disability. HUD’s regulations implementing the federal Fair Housing Act state:

*...It shall be unlawful, because of race, color, religion, sex, handicap, familial status, or national origin to restrict or attempt to restrict the choices of a person by word or conduct in connection with seeking, negotiating for, buying or renting a dwelling so as to perpetuate, or tend to perpetuate, segregated housing patterns, or to discourage or obstruct choices in a community, neighborhood or development...*  
*[24 CFR Part 14, Section 100.70 (a)]*

Several organizations maintain information about possible discriminatory brokerage practices such as Metro Fair Housing Services, Inc., a non-profit housing enforcement organization that provides private enforcement services and conducts systemic testing, investigative studies, and workshops on fair housing. During the research phase of this document, data was requested from Metro Fair Housing, but our office did not receive any information or assistance.

Other organizations that maintain information include the Fair Housing Division of the Georgia Commission on Equal Opportunity, the HUD Office of Fair Housing and Equal Opportunity, and the National Fair Housing Alliance [NFHA]. Fair Housing complaints filed in Cobb County were gathered from the Georgia Commission on Equal Opportunity for the time period of January 2000 to January 2007.

### ***Survey Response:***

Two (2) respondents (10.5%) believe that housing brokerage practices such as “Steering” limit fair housing choice in Cobb County. “Steering” is defined as encouraging and/or discouraging minority clients to certain neighborhoods or areas based on location of white neighborhoods; discriminatory deed restrictions; false denials of housing availability; and/or “blockbusting.” One (1) respondent (5.3%) believed that a limited number of minority real estate brokers is a potential impediment in Cobb County.

***A summary of responses and comments can be viewed in Appendix A of this document.***

As documented by the NFHA in the 2006 Fair Housing Trends Report, HUD released The Housing Discrimination Study 2000 (HDS 2000) in 2002, that found significant levels of housing discrimination existed in the United States, including the level of steering by sales providers... because HDS 2000 was conducted for research purposes only, none of the tests conducted were used for subsequent enforcement actions and the companies that violated the law were not publicly identified, (NFHA, 2006). HUD initiated a request for proposals to conduct follow-up testing across the United States. In 2003, NFHA was awarded a contract to perform testing in the Northeast, South, and Midwest.

Subsequently, the NFHA conducted extensive testing of real estate firms throughout the United States, to include metropolitan Atlanta. According to the Housing Segregation Background Report: Atlanta published on October 10, 2005, the testing of the Atlanta metro area revealed alleged discriminatory steering practices. The results of the tests prompted the NFHA to file housing discrimination complaints against three Atlanta-area real estate firms, including Coldwell Banker Marietta. The complaints allege Coldwell Banker-Marietta violated the federal Fair Housing Act by repeatedly steering white potential homebuyers to predominantly white neighborhoods and black potential homeowners to predominantly black neighborhoods and by denying or failing to keep appointments with African-Americans; thus intentionally and purposefully restricting the choices of potential home seekers. **Appendix D** details the testing conducted in the metro Atlanta area as was reported in the Housing Segregation Background Report: Atlanta released by the NFHA and shows the alleged steering incidences which prompted the discrimination complaint against Coldwell Banker-Marietta. The 2006 Fair Housing Trends Report can be found in its entirety by visiting [www.nationalfairhousing.org](http://www.nationalfairhousing.org). The report allows for a detailed analysis of the test findings and subsequent actions taken by the NFHA.

**Disclaimer:** The inclusion of NFHA’s Housing Segregation Background Report and the 2006 Fair Housing Trends Report is solely for informational purposes only. This report was discussed as a result of the CDBG Program Office’s research regarding the analysis of impediments to fair housing. Inclusion of the NFHA’s report does not imply that the Cobb County CDBG Program Office supports, in any way, the allegations contained therein. As of the release date of this document, there has been no legal action whatsoever in terms of resolution, conciliation, and/or settlements, based on the allegations contained in NFHA’s report.



## **Regulatory Barriers:**

Zoning laws, subdivision regulations, building codes and other local government requirements can create barriers for developers and builders to construct affordable housing and housing of a type suitable for all residents in a community. With property expensive to obtain in Cobb County and the cost of building materials increasing, the flexibility to develop affordable housing needs to be enhanced, not retarded, by local government regulations.

Cobb County's current housing market presents significant impediments to developing an adequate supply of affordable housing for low to moderate income persons. Cobb County's economic growth, coupled with the perception of being an "affluent" community, has stimulated developers and builders to focus their attention and efforts on building sizeable and more costly housing. This trend is exacerbated by the high cost of land and construction, which yields smaller profits and returns on smaller homes for developers. As a result, fewer affordable housing units are being built while the demand for them increases. Regulatory barriers need to be reduced to ameliorate this trend by providing incentives to developers to build affordable housing.

In 2006, Cobb County Commissioners Annette Kesting and Helen Goreham commissioned a Task Force to define and evaluate the need for workforce housing/affordable housing in Cobb County and suggest ways to encourage its development in a sufficient quantity. The 2030 Comprehensive Plan for Cobb County has a housing component; however, the specific housing needs of families of modest income (50-120% of median income) are not described or addressed.

What the Plan states is that there is going to be a need to construct a larger number of new housing units to accommodate Cobb County's burgeoning population in the next two or more decades. A significant percentage of these units will need to be affordable to accommodate the increase for low and moderate income families. Cobb County and its municipalities can help this happen or hinder its progress through its development regulations.

Reviewing current practices, it can be said that some regulatory barriers exist today. Several municipalities have zoning laws in place that severely inhibit the construction of affordable, single-family housing. Initiatives like inclusionary zoning, accessory apartments, and density bonuses have not been received well by the public due to NIMBY concerns.

On the other hand, some local practices seem to promote affordable housing. Cobb County has reasonable minimum square footage requirements for new, single-family housing, does not impose impact fees, and does allow manufactured housing in its zoning law. Its fast track permitting process/one-stop permitting helps developers and builders expedite their construction approvals with Cobb County. The County's use of the International Building Code has also standardized building techniques for builders to eliminate delays.

The Task Force commissioned to undertake the workforce/affordable housing study will:

- 1) Undertake a more detailed study of the Cobb County housing market;
- 2) Analyze other studies;
  - o Atlanta Neighborhood Development Partnership, Inc.[ANDP]
  - o Cobb Chamber of Commerce
  - o Georgia Tech City and Regional Planning Department
  - o Atlanta Regional Commission; and
- 3) Provide recommendations on the types of local government regulations that should be embraced to encourage construction of this much needed housing in the County.

HUD has provided invaluable research materials to help the Task Force determine the best approaches for Cobb County. Representatives of Cobb County's municipalities need to participate with the Task Force or at least be mindful of its intent and willing to adhere to the end results its study. HUD expects all recipients of federal funds to make bonafide efforts to eliminate barriers to fair and affordable housing.

***Survey Response:***

Four (4) respondents (21.1%) believed local zoning laws in Cobb County limit the availability and location options for affordable, higher density housing, which in effect, restricts housing choice for low income persons.

Three (3) respondents (15.8%) believed building codes, fees and charges, and taxes increase the cost and limit the development of affordable housing, with the effect of restricting housing choice for low income persons.

Two (2) respondents (10.5%) believed zoning laws and occupancy codes limit the location and availability of group homes for the mentally disabled and shelters for the homeless, so that such homes are concentrated in specific neighborhoods.

One respondent commented “restrictive covenants for subdivisions and town home complexes limit the building or operating of group homes in nicer areas.” Another respondent commented “the ‘NIMBY attitude’ persists in all locations, so there is nothing new. Not in my backyard.”

***A summary of responses and comments can be viewed in Appendix A of this document.***

**Neighborhoods without Effective Public Transportation to Jobs and Job Training Opportunities and for Disabled Residents:**

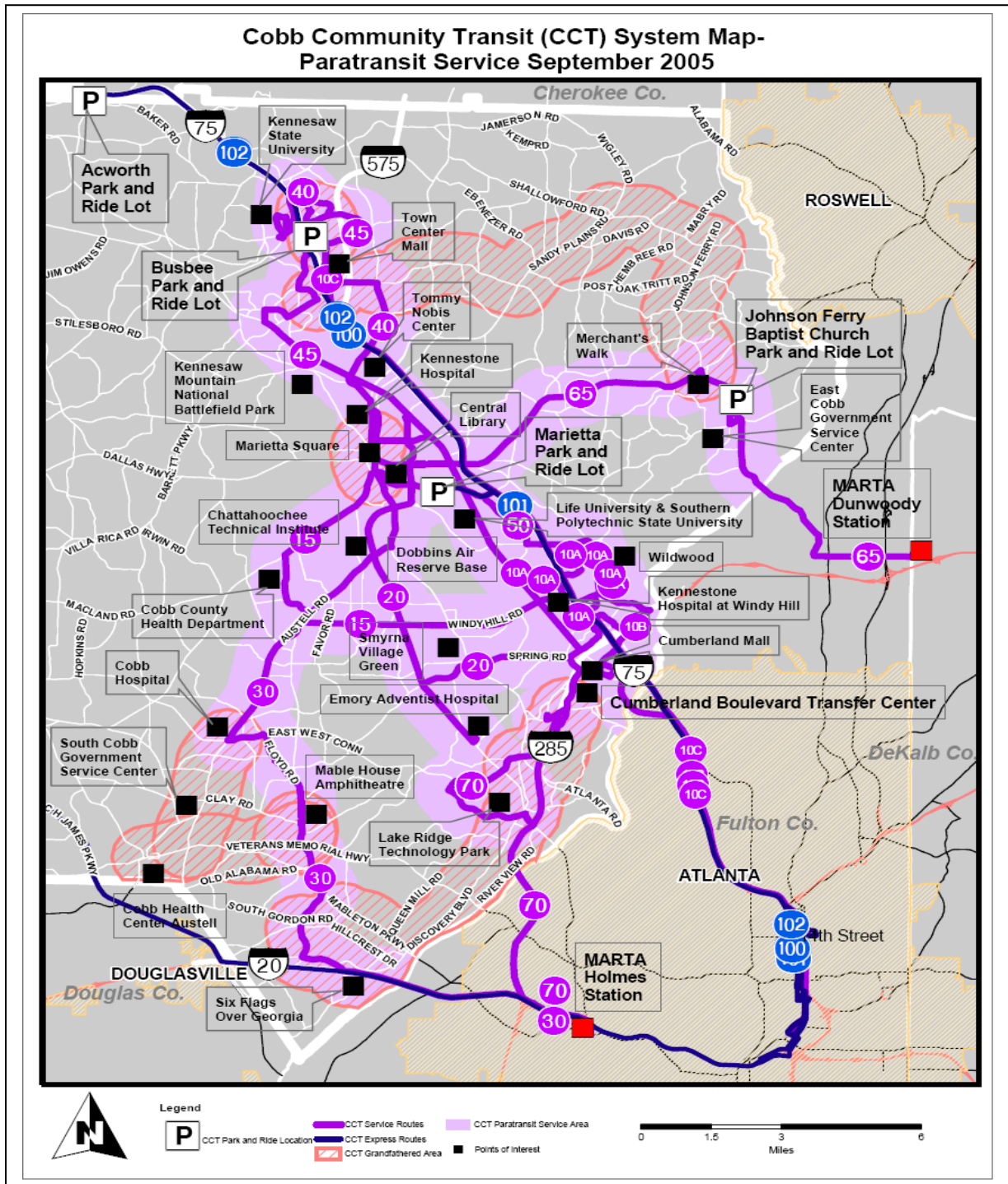
Lack of public transportation can severely restrict the number and location of communities in which low income residents may be able to live. For those with limited resources, public transportation may offer the only opportunity to get to employment, essential services, and shopping areas. Thus, low income individuals and families may only be able to choose housing which is located close to economical public transportation. Fair housing choice for such persons is dependent upon the location of public transportation routes near a variety of decent, affordable housing.

Cobb County’s public transit system, [Cobb Community Transit (CCT)], began operations in July, 1989. CCT buses operate on twelve (12) local routes and seven (7) express routes. A reciprocal transfer agreement with Metropolitan Atlanta Rapid Transit System (MARTA) links CCT with the larger regional employment area, entertainment centers, and Hartsfield-Jackson International Airport.

CCT provides nondiscriminatory access to fixed route service that complies with Department of Transportation ADA regulations. Federal regulation 49 CFR 37.121 (a) states: “...each public entity operating a fixed route system shall provide paratransit or other special services to individuals with disabilities that is comparable to the level of service provided to individuals without disabilities who use the fixed route system...” Wheelchair lifts are available on all buses and paratransit vehicles are available for persons with disabilities. The CCT Paratransit system is a curb-to-curb service centered along the local, fixed bus routes in Cobb County. The system extends three quarters of a mile on either side of each of the routes. The service is provided on a reservation basis.

**Map 5** shows the Paratransit route provided by CCT. As the map indicates, patrons of the Paratransit routes are given access to amenities that include but are not limited to: hospitals, universities, county health centers, and entertainment and shopping venues including malls and historic Marietta Square.

# MAP 5 COBB COUNTY, GEORGIA



**MAP 6**  
**COBB COUNTY, GEORGIA**





### *Survey Response:*

Nine (9) respondents (47.4%) believed that neighborhoods without effective public transportation to jobs and job training opportunities (including persons with mental and physical disabilities) exist in Cobb County and impact residents within the County.

One respondent commented, “Cobb’s public transportation system is not effective. Routes are very limited and our clients who use the system often have very long (2 hours of more) commutes.”

*A summary of responses and comments can be viewed in Appendix A of this document.*

### **Disproportionate Concentration of Affordable Housing and Minorities in Declining and Deteriorating Neighborhoods:**

An important part of fair housing choice is the ability of citizens to live in neighborhoods which offer decent, affordable housing and a normal range of community amenities. If one can only find affordable, including subsidized, housing in deteriorating, unsafe, and/or unhealthy neighborhoods, fair housing choice is restricted. If there is a disproportionate concentration of minorities within the low income population, then this could be considered an impediment to fair housing choice. The following details revitalization efforts put forth by Cobb County and its municipalities including the cities of Marietta, Kennesaw, Austell, Smyrna, and Powder Springs to address the issue of deteriorating neighborhoods.

The Cobb County 2030 Comprehensive Plan outlines Residential Revitalization (RR) Character Areas as a tool to describe areas of focus over the next few decades. RRs are defined by Cobb County as older traditional or suburban neighborhoods and are some of the earlier suburban-style housing in the County. RR areas have mixed homeownership rates and are in decline due to lack of investment by property owners. As such, the Comprehensive Plan contends strategic investment is required in order to preserve existing homes which can be accomplished through creating additional homeowners in the area and by providing financial assistance to low income homeowners for upgrading their housing units through additional maintenance and upkeep. The Comprehensive Plan offers the Bells Ferry area as an area that would benefit from compatible infill development and the renovation of existing properties.

The cities of Kennesaw and Smyrna were awarded planning grants from the Atlanta Regional Commission’s (ARC)

*Livable Centers Initiative* (LCI). LCI promotes quality growth in the region by encouraging greater mobility and livability within existing employment and town centers by using current infrastructure. (*Smart Growth Online: A Service of the Smart Growth Network*). The cities were awarded \$75,000 each respectively. The grants will support studies including:

- **City of Kennesaw Town Center**—study of integration of town center with surrounding community and create a community built around mixed-use, pedestrian-friendly center. The center will also be tied to other regional activities centers like Town Center Mall and Kennesaw State University;
- **City of Smyrna Town Center**—study of expansion of current town center and continued land use innovation and will also focus on integrating multi-modal transportation opportunities within existing and new developments.

In 2006, the City of Marietta was awarded an *All-American City Award* in part for the **Marietta Revitalization Program**, a program designed to save the city from decline and create a stronger sense of community by balancing the city’s housing stock, stabilizing school enrollments, creating affordable workforce housing, and revitalizing neighborhoods. The city has made substantial progress toward increasing the percentage of homeowners while reducing substandard rental units.

The City of Marietta has also established three Tax Allocation Districts (TADs) in an effort to revitalize declining neighborhoods and stimulate reinvestment in underutilized property. The areas can be characterized as having a slower growing population, lower incomes, lower educational attainment, greater unemployment, more renter-occupied units, older housing of lower values, and significant crime. The focus of the efforts is to encourage increased residential connectivity in the study areas, create neighborhood and community “activity centers” to build a sense of community, revitalize declining commercial areas, and stop the decline of rental housing. The TADs include:

- City Center South Renaissance;
- Franklin/Gateway; and
- City Center Perimeter.

The City of Marietta’s growth strategies include but are not limited to:

- Enact measures to reduce demand for auto travel;
- Provide access to diverse transportation choices, including walking, transit and bicycling;
- Promote suitable urban design; and
- Ensure diversity of housing options.

Additionally, in 2007, the City of Marietta was awarded \$200,000 from the United States Department of Justice to continue the “Weed and Seed” crime-fighting program along Franklin Road. The grant was in addition to \$175,000 received by the City of Marietta in 2006. The program is designed to help communities with serious crime problems utilize people and resources to prevent and control crime and improve the quality of life in neighborhoods.

Although the City of Powder Springs and the City of Austell have both imposed a moratorium on residential development, the cities are still committed to redevelopment opportunities. The City of Powder Springs has invested \$2 million in streetscapes, is building a railway overpass, and recently created its first economic development office. The City of Austell purchased the Threadmill complex in 2001—a 230,000 square foot former textile mill turned mall that closed in the 1990s—and now it is almost fully occupied and used by local and state government and privately owned businesses. ([www.georgiatrend.com](http://www.georgiatrend.com))

***Survey Response:***

Seven (7) respondents (36.8%) believed affordable housing is concentrated in deteriorating and declining neighborhoods in Cobb County and that Cobb County has areas of high crime and drugs, lacks public transportation, vacant and deteriorating buildings, no recreation facilities, high unemployment, and limited commercial enterprises.

Eight (8) respondents believed there is a disproportionate concentration of minorities in declining or deteriorating neighborhoods.

Three (3) respondents believed there is neighborhood resistance to minorities, low income persons, or persons with disabilities moving into white or moderate/high income neighborhoods.

***A summary of responses and comments can be viewed in Appendix A of this document.***

This section reviews past and current actions taken by Cobb County and local organizations aimed at ensuring the option of fair housing choice exists for all Cobb residents. The analysis roughly follows the order of impediments identified in the following section.

### **Affordable Housing**

In 1990, the Chairman of the Cobb County Board of Commissioners appointed a Cobb County Affordable Housing Task Force with the responsibility of investigating the need for and availability of affordable housing in Cobb County. The task force studied the problem of affordable housing for nearly two years and developed recommendations which included:

- a. Development of a new affordable housing zoning classification designed to make it easier for developers to build affordable housing;
- b. Establishment of one or more private nonprofit housing development organizations which can address development of affordable housing in those areas which are underserved;
- c. Development of homebuyers education program designed to help prospective homebuyers qualify for financing, and prepare for the responsibilities of homeownership;
- d. Development of an education program designed to inform the entire community about the importance of having affordable housing available, not just for the direct beneficiaries, but for all members of the community; and
- e. Strengthening Cobb's efforts to rehabilitate and preserve existing housing, particularly through the use of CDBG and HOME Program funds.

Cobb County has made significant progress in many of these areas including the creation of Cobb Housing, Inc [CHI], the Community Housing Development Organization [CHDO] for Cobb County. Also, the use of CDBG and HOME funds has provided homebuyer education and housing rehabilitation and reconstruction of existing housing across the County. The Cobb County CDBG Program Office also advertises for interested agencies to become additional CHDOs for the County. The public notice is released in conjunction with the notice announcing the opening of each year's grant application cycle.

Although the County has made progress on many of the recommendations made by the Task Force, the issue of affordable housing has continued to be on the forefront of those addressed at the county level. While, the Task Force is no longer in existence, individual organizations have assumed the responsibility of addressing the issue of affordable housing.

### **Department of Community Affairs (DCA)**

As of January 2007, there are nine (9) Department of Community Affairs [DCA] agencies focused on HomeBuyer Counseling and Education that serve the residents both regionally and locally. The regional agencies that serve Cobb residents include Atlanta Urban League, Inc.; Consumer Credit Counseling Service of Greater Atlanta; Community Alliance of Metropolitan Parkway, Inc. [CAMP]; Latin American Association; Dekalb Metro Housing Counseling Center; The Center for Pan Asian Community Services, Inc., and D & E Group. The local agencies that provide Home Buyer Counseling and Education are the Marietta Housing Authority and Cobb Housing, Inc.

### **Cobb Housing, Inc.**

CHI, incorporated in 1992, was created to "develop, own, sponsor, or manage a comprehensive range of housing programs and services for economically disadvantaged persons and thereby ensure that safe, sanitary, affordable housing is available to all citizens." A sample of composite data gathered from the Cobb County HOME Program revealed that homes built by CHI are sold for much less than the average \$190,000 home price in Cobb County, creating mortgage payments for homeowners below the average \$1,236. **Table 11** outlines the average purchase specifics of a CHI home.

**TABLE 11**  
**COBB HOUSING, INC. AFFORDABLE HOUSING STATISTICS**  
**COBB COUNTY, GEORGIA**

<b>Average Purchase Price</b>	<b>Average Annual Homeowner Income</b>	<b>Average Mortgage</b>	<b>Average Interest Rate</b>	<b>Average PITI</b>	<b>Average Household Size</b>
\$137,685	\$32,997	\$140,002	6.0%	\$1,062.01	1.8

*Source: Cobb County CDBG Program Office HOME Program Files*

Notably, in 2005, CHI provided 524 families with “pre”-and “post-purchase” housing counseling. Thirty (30) families were also assisted in purchasing a home through homeownership counseling, down payment assistance or financing assistance. CHI offers bi-monthly homebuyer education courses to families and individuals who are interested in homeownership. They partner with the Latin American Association to offer the courses in Spanish.

#### **Cobb County Housing Rehabilitation Program**

The CDBG and HOME Housing Rehabilitation Program has been a “critical need” activity in Cobb County and the City of Marietta. In 2002, Cobb County began in-house reconstruction of dilapidated housing units with the use of Home Investment Partnership Act (HOME) Program funds. Cobb County’s Board of Commissioners and the City of Marietta voted to direct HOME funds for single-family owner-occupied rehabilitation/reconstruction. In 2006, Cobb County and the City of Marietta expended \$596,704 for single-family rehabilitation/reconstruction activities. There is a high concentration of both old, deteriorated dwellings and low income residents in the County.

Within Housing Rehab, there are six (6) primary types of housing rehab activity: zero-percent interest Deferred Payment Loans [DPLs]; Emergency Assistance Loans [EALs]; Emergency Assistance Grants [EAGs]; Lead Based Paint [LBP] abatement activities; Substantial Rehabilitation loans; and Housing Reconstruction [Recon] loans. Since 1982, the Housing Rehabilitation Program has spent \$11,807,362 ensuring homes in Cobb County and the City of Marietta meet housing code standards and has a safe living environment for homeowners.

#### **Cobb County Habitat for Humanity**

The Cobb County affiliate of Habitat for Humanity is an active partner in developing affordable housing. With donated volunteer labor and “sweat-equity” from the prospective homeowners, Habitat is able to build homes for substantially less than market costs. Zero percent interest loans are extended to low income families for the purchase of these affordable homes. Home ownership training and counseling are provided. On average, the affiliate has built 19 affordable homes in Cobb County per year since 2001. Habitat has received HOME Program funds to purchase land, perform site work, and provide downpayment assistance to its applicants through the HOME Downpayment Assistance and American Dream Downpayment Initiative Programs.

In 2004, Cobb Habitat launched “Building on Tradition,” a \$9 million project which aims to construct 100 “architecturally advanced” Habitat homes in Cobb County by 2008. This initiative, the first of its kind in the United States, was launched in response to growing concerns among community members about the possibility of decreased property values near Habitat homes. In 2003, those concerns almost threatened the rezoning of a planned Habitat community in Mableton. Recently, the affiliate has finished construction of a 17-home community on Taylor Drive. Current projects include 19-home, 32-home, and 25-home communities located on Hillcrest Road in Austell.



### **Latin American Association**

The increase in the number of Hispanic/Latino residents in Cobb County has necessitated an increase in services and outreach provided by County agencies, nonprofit organizations, and others. The Latin American Association supports offices in the metro area in Gwinnett County, Dekalb County, and two offices in Cobb County (Hickory Lakes Apartments and Las Colinas Apartments). The agency exists to “assist Latino families’ secure decent, affordable housing,” and provides services and referrals including:

- Landlord-tenant mediation
- Home Purchase Programs (pre- and post-purchase programs)
- Housing Programs
  - Equal opportunity housing assistance
  - Low-cost housing
  - Housing Seminars (housing laws, credit and budget, tips on loans and costs, relationship between real estate agent and the buyer, and the importance of insurance and housing inspection)
  - IDA: Individual Development Account
  - Annual Housing Fair “Camino A Su Casa”

### **The United Way of Metropolitan Atlanta**

The United Way of Metropolitan Atlanta administers the United Way IDA (Individual Development Accounts) for Homeownership Program, a matched savings account program designed to provide financial education, promote citizen involvement, and foster asset accumulation for low to moderate income households seeking to purchase their first home. Participants in the program save money over a specified period of time and simultaneously attend classes to learn saving strategies, address credit or debt issues, and responsibilities of homeownership. Participants are eligible for a match of 4:1 or 5:1 up to a certain amount, including a \$1,500 emergency reserve fund to be applied toward the principal on the mortgage if not used within two years of ownership. ([www.unitedwayatlanta.org](http://www.unitedwayatlanta.org))

The United Way of Metropolitan Atlanta also maintains “The Housing Directory: A Guide to Low Cost Housing Resources in Metropolitan Atlanta.” The guide is designed to provide readers resources on affordable housing choices in the metro Atlanta area and as a teaching tool on different types of affordable housing. The guide includes tip sheets on finding rental housing, what to know before signing a lease, special needs accommodation in the market, transitional housing, public housing authorities, and types of subsidized and non-subsidized housing. The guide also provides locations, by county and contact information, for housing providers that meet the needs of the user.

### **Marietta Housing Authority Workforce Housing Initiative:**

Home prices in Cobb County and in the City of Marietta make it increasingly difficult for city employees such as government employees, teachers, and police and firemen to find affordable housing within the city limits. Using local resources, the Marietta Housing Authority provides two Homeownership Assistance Programs for Public, Government and City School Employees; and Teachers, Policemen and Firemen. The programs provide eligible homebuyers with downpayment and closing cost assistance to purchase homes within the City of Marietta. The assistance is provided in the form of a deferred payment, 0% interest loans. Properties must be located within the city limits of Marietta and purchase prices cannot exceed \$250,000. Maximum income limits for 2007 are outlined in **Table 12**:

**TABLE 12**  
**MARIETTA HOUSING AUTHORITY WORKFORCE HOUSING**

<b>Number of Persons in Family</b>	<b>Maximum Income Limits</b>
<i>Source: MHA-Homeownership</i>	\$39,850
2	\$45,550
3	\$51,250
4	\$56,950
5	\$61,500
6	\$66,050
7	\$70,650
8	\$75,200

### **Banking Practices**

Banking practices offer a special fair housing challenge for local communities. Banks and lending institutions are regulated by the states and the federal government. Local jurisdictions have no legal authority in requiring specific operating procedures by lending institutions. However, Downpayment Assistance and programs for First Time Homebuyers by CHI has established partnerships with numerous local lenders and has resulted in improved lending procedures and practices which offer more fair housing choice. Minorities have constituted a significant portion of the residents to benefit from this effort. The efforts of CHI to solicit involvement by local and national mortgage lenders in low income housing financing in Cobb County helps ensure that fair housing options are available to low income and minority residents. CHI's list of lending partners includes, but it not limited to:

- BB & T Bank;
- Flagstar Bank;
- First Horizon Home Loans;
- Market Street Mortgage;
- SunTrust Mortgage, Inc.; and
- Wachovia Mortgage.

### **Housing Brokerage Policies, Procedures, and Practices**

The Cobb Association of Realtors conducts an extensive training program for real estate agents in Cobb County on fair housing requirements and procedures. The training program, which is offered at new member orientation, includes a DVD presentation developed by the National Association of Realtors and is required for all new members of the Cobb Association of Realtors. Additionally, the National Association of Realtors requires each member to attend an ethics course to continue membership. The Cobb Association of Realtors also offers three hour continuing education courses such as "ADA and Fair Housing," "Ethics in Real Estate," and "Legal Issues for Agents."

### **Tenant Selection in Rental Housing**

The Marietta Housing Authority [MHA] carries out procedures explicitly designed to ensure fair housing choices to residents who seek public housing and/or participation in the Section 8 Program in Cobb County. These procedures, which are reviewed by HUD, ensure that each applicant for public housing or Section 8 assistance will have an equal opportunity to receive assistance under terms required by federal policies.

## **PLANNED ACTIONS TO OVERCOME IDENTIFIED IMPEDIMENTS TO FAIR HOUSING CHOICE**

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In reviewing the impediments to fair housing choice, several priority actions emerge. The Cobb County CDBG Program Office will work to implement the following priority actions.

### **Affordable Housing**

- a. Increase the Number of Non-Profit Developers (*within 3 years*): The Cobb County CDBG Program Office will work with local organizations and community groups to determine if one or more new non-profit housing developers can be established to complement the current efforts of Cobb Housing, Inc. The CDBG Program Office will encourage local neighborhood groups interested in improving housing in their communities to consider establishing such development organizations. Additionally, a public notice to advertise for additional Cobb County CHDOs will run in conjunction with the annual application cycle for CDBG, HOME, and ESG Programs [January-April].

Note: an Atlanta-based CHDO, Atlanta Mutual Housing Authority [AMHA] is applying for a tax credit project in Cobb County. Per Cobb County CDBG Program Office guidelines, upon successful completion of such a project in Cobb County, AMHA can begin the process of applying to become a Cobb County CHDO if it chooses to do so.

- b. Provide Technical Assistance (*within 1 year*): The CDBG Program Office will provide increased technical assistance to local organizations interested in developing affordable housing.
- c. Develop Better Community Education (*within 1 year*): The CDBG Program Office will evaluate the range of educational literature and tools used by Cobb Housing, Inc. and other organizations to educate their clients and the general public about the value of, and need for, affordable housing in Cobb County. Upon completion of the evaluation, the CDBG Program Office will make recommendations to organizations with regards to scope, purpose, and reach of educational materials. This evaluation will take place in conjunction with programmatic monitoring of Cobb Housing, Inc.
- d. Seek Out Public-Private Partnerships (*within 1 year*): The CDBG Program Office will provide support for the newly-organized Cobb Community Collaborative Business Advisory Council, a partnership between the Cobb County Chamber of Commerce and the members of the Cobb Community Collaborative, brought together for the purpose of creating joint efforts to develop mutually-beneficial collaborations, such as housing activities.
- e. Obtain Complaint Information (*on-going*): The CDBG Program Office will gather information on complaints annually filed with HUD, the Georgia Commission on Fair Housing and Equal Opportunity, and other local organizations. This information will be used to determine if there are any patterns of discrimination including Advertisements, Statements and Notices; Refusal to Rent/Sell; Terms and Conditions in a Rental/Sale; False Representation of Availability; To Deny or Make Unavailable; or Other activities.
- f. Participate in Policy Council on Homelessness through Cobb Community Collaborative (*on-going*): The CDBG Program Office will continue participation in the Policy Council on Homelessness, a council committed to addressing issues that include affordable and workforce housing.
- g. Create a Cobb County Housing Trust Fund (*1-2 years*): The CDBG Program Office will work with the Cobb County Board of Commissioners and all appropriate local, state, and federal agencies to create and fund a Cobb County Housing Trust Fund which will provide a dedicated funding source for the development and/or rehabilitation of affordable and workforce housing throughout Cobb County.

## **Community Awareness and Education**

- a. Conduct a Community-Wide Forum (*within 1 year*): The CDBG Program Office, working with appropriate local groups, will plan a community-wide forum on Fair Housing designed to provide information and to generate community interest in promoting fair housing choice. The forum will occur every other year during the month of April [Fair Housing Month] and as part of Cobb County recognizing National Community Development Week.
- b. Seek Out Local Groups (*within 1 year*): The CDBG Program Office will seek out local community groups and organizations which might be interested in promoting community education on fair housing issues. The CDBG Program Office will assist such groups in developing a plan and process for systematic, sustained public education regarding protection under fair housing laws.

## **Banking Practices**

- a. Monitor Home Mortgage Disclosure Act [HMDA] data (*on-going*): The CDBG Program Office will annually monitor HMDA data showing loan originations and rejections by income level, census tract, and demographics of applicant. This information will be used to determine if patterns of disparity in rates of loan origination and rejection indicate any evidence of discriminatory practices. The HMDA data also includes information on reason for loan denial. This data can be used to assess whether there are indications of unfair lender practices in processing loan applications, or if problem areas, such as poor credit ratings, suggest the need for other services designed to help applicants qualify for home mortgages.
- b. Engage Representatives of the Banking Industry (*within 1 year*): The CDBG Program Office will attempt to engage local banking representatives in a review of local policies, procedures, and practices in regard to providing fair housing choice. The CDBG Program Office will obtain views and financial institutions regarding the challenges and obstacles of investment in distressed neighborhoods and invite dialogue of this topic and others as a part of the Forum mentioned earlier. The CDBG Program Office will attempt to bring together multiple representatives in the Forum and in further discussions and training sessions.
- c. Obtain Complaint Information (*on-going*): The CDBG Program Office will gather information on complaints annually filed with HUD, the Georgia Commission on Fair Housing and Equal Opportunity, and other local organizations. This information will be used to determine if there are any patterns of discrimination on the part of bankers.

## **Housing Brokerage Practices**

- a. Review Local Broker Training (*on-going*): The CDBG Program Office will review training programs aimed at developing and maintaining fair housing sales practices. The CDBG Program Office will keep copies of Fair Housing training materials provided by the Cobb Association of Realtors and encourage the organization to participate in the Cobb County Fair Housing Forum. If deficiencies exist, the CDBG Program Office will work with the Association of Realtors to develop additional training.
- b. Consider Testing: The CDBG Program Office will evaluate existing data to determine if specific testing is needed to assess local brokerage practices. If indicated, the CDBG Program Office will recommend that a testing program be implemented.
- c. Obtain Complaint Information (*on-going*): The CDBG Program Office will gather information on complaints annually filed with HUD, the Georgia Commission on Fair Housing and Equal Opportunity, and other local organizations. This information will be used to determine if there are any patterns of discrimination on the part of brokers, including Steering and Provision of Brokerage Services.

## **Discriminatory Tenant Selection**

- a. Public Housing and Section 8 Review (*within 1 year*): The Cobb County CDBG Program Office will review Policies and Procedures on Tenant Selection.
- b. Obtain Complaint Information (*on-going*): The CDBG Program Office will gather information on complaints annually filed with HUD, the Georgia Commission on Fair Housing and Equal Opportunity, and other local organizations. This information will be used to determine if there are any patterns of discrimination on the part of landlords such as Failure to Allow a Reasonable Modification and/or Accommodation.

## **Transportation**

- a. Analyze CCT Routes (*on-going*): The CDBG Program Office will continue to review current CCT routes to determine if more low income, disabled and elderly areas and individuals could have greater access to public transportation. The CDBG Program Office will also follow the efforts of the Workforce Council of the Cobb Community Collaborative as they address the public transportation needs of residents of Cobb County.

## **PLANNED ACTIONS AT-A-GLANCE**

<b>Impediment Identified</b>	<b>Priority Action</b>	<b>Timeline</b>
<b>Affordable Housing</b>	Increase # of Non-Profit Developers	Within 3 years
	Provide Technical Assistance	Within 1 year
	Develop Better Community Education	Within 1 year
	Seek Out Public-Private Partnerships	Within 1 year
	Obtain Complaint Information	On-Going
	Participate in Policy Council on Homelessness	On-Going
	Create a Cobb County Housing Trust Fund	Within 1-2 years
<b>Community Awareness/Education</b>	Conduct a Community-Wide Forum	Within 1 year
	Seek Out Local Groups	Within 1 year
<b>Banking Practices</b>	Monitor HMDA data	On-Going
	Engage Representatives of the Banking Industry	On-Going
	Obtain Complaint Information	On-Going
<b>Housing Brokerage Practices</b>	Review Local Broker Training	On-Going
	Consider Testing	TBD
	Obtain Complaint Information	On-Going
<b>Discriminatory Tenant Selection</b>	Public Housing and Section 8 Review	Within 1 year
	Obtain Complaint Information	On-Going
<b>Transportation</b>	Analyze CCT Routes	On-Going



**APPENDIX A**

**AFFORDABLE HOUSING SNAPSHOT**





## AFFORDABLE HOUSING SNAPSHOT

The following scenarios detail the average cost of living for Cobb County families at four distinct income levels; varying from the “high” income bracket [120% of the median income] down to the “very low/low” income brackets [60% and 80% of the median income]. The purpose of these scenarios is to detail true “affordable” cost of living snapshots for families at different income levels in Cobb County.

**All four scenarios include housing expenses [mortgage payment + utilities] for a home purchased for \$150,000.**

Other costs vary from scenario to scenario. Estimates were compiled from online resources including YAHOO! Real Estate, The Council for Community and Economic Research, and other estimations. These figures could change based on government assistance and other sources of financial support provided to individuals and families that offset costs over what is available from employment earnings.

### Family of 4 in Cobb County, Georgia:

% Median Income	Annual Gross Income	Monthly Gross Income	Annual Net Income	Monthly Net Income
120	\$85,424	\$7,119	\$52,109	\$4,342
100	\$71,187	\$5,932	\$43,424	\$3,619
80	\$56,950	\$4,746	\$40,435	\$3,370
60	\$42,713	\$3,559	\$30,326	\$2,527

### Family of 1 in Cobb County, Georgia

% Median Income	Annual Gross Income	Monthly Gross Income	Annual Net Income	Monthly Net Income
120	\$59,774	\$4,981	\$36,462	\$3,039
100	\$49,812	\$4,151	\$30,385	\$2,532
80	\$39,850	\$3,321	\$24,309	\$2,026
60	\$29,888	\$2,491	\$21,220	\$1,768

*\*\* Net Income for the brackets was figured by deducting Federal taxes (25% or 15% based on income level), Georgia State Tax (5%), Medicare tax (2%), and Social Security tax (7%) from Annual Gross Income\*\*.*

**Scenario 1: Family of four @ 120% of median income (2 employed)**

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (2)	\$575
Life/Auto Insurance	\$100
Food	\$300
Entertainment	\$175
Transportation (gas, public transportation costs)	\$200
Credit Card Payments	\$250
Day Care	\$800
Savings	\$100
Clothing	\$100
Healthcare	\$700
Misc. (car/home repair/emergency costs)	\$250
Cell Phone(s)	\$100
<b>TOTAL</b>	<b>\$ 5,025.00</b> <b>(-\$683)</b>

**Scenario 2: Family of four @ 120% of median income (1 employed)**

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (1)	\$350
Life/Auto Insurance	\$80
Food	\$300
Entertainment	\$175
Transportation (gas, public transportation costs)	\$200
Credit Card Payments	\$250
Savings	\$100
Clothing	\$100
Healthcare	\$600
Misc. (car/home repair/emergency costs)	\$250
Cell Phone(s)	\$100
<b>TOTAL</b>	<b>\$3,880</b> <b>(+\$462)</b>

**Scenario 3: Family of 1 @ 120% of median income**

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (1)	\$250
Life/Auto Insurance	\$75
Food	\$100
Entertainment	\$75
Transportation (gas, public transportation costs)	\$75
Credit Card Payments	\$200
Savings	\$75
Clothing	\$50
Healthcare	\$100
Misc. (car/home repair/emergency costs)	\$125
Cell Phone(s)	\$50
<b>TOTAL</b>	<b>\$2,550</b> <b>(+\$489.00)</b>

**Scenario 4: Family of four @ 100% of median income (2 employed)**

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (2)	\$400
Life/Auto Insurance	\$100
Food	\$250
Entertainment	\$100
Transportation (gas, public transportation costs)	\$200
Credit Card Payments	\$150
Day Care	\$650
Savings	\$100
Clothing	\$100
Healthcare	\$500
Misc. (car/home repair/emergency costs)	\$150
Cell Phone(s)	\$100
<b>TOTAL</b>	<b>\$4,175</b> <b>(-\$556.00)</b>

**Scenario 5: Family of four @ 100% of median income (1 employed)**

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (2)	\$500
Life/Auto Insurance	\$100
Food	\$250
Entertainment	\$150
Transportation (gas, public transportation costs)	\$200
Credit Card Payments	\$200
Savings	\$100
Clothing	\$150
Healthcare	\$500
Misc. (car/home repair/emergency costs)	\$200
Cell Phone(s)	\$100
<b>TOTAL</b>	<b>\$3,825</b> <b>(-\$206.00)</b>

**Scenario 6: Family of 1 @ 100% of median income**

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (1)	\$250
Life/Auto Insurance	\$75
Food	\$100
Entertainment	\$75
Transportation (gas, public transportation costs)	\$75
Credit Card Payments	\$200
Savings	\$75
Clothing	\$50
Healthcare	\$100
Misc. (car/home repair/emergency costs)	\$125
Cell Phone(s)	\$50
<b>TOTAL</b>	<b>\$2,550</b> <b>(-\$18.00)</b>

**Scenario 7: Family of four @ 80% of median income (2 employed)**

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (1)	\$250
Life/Auto Insurance	\$100
Food	\$300
Entertainment	\$75
Transportation (gas, public transportation costs)	\$150
Credit Card Payments	\$100
Day Care	\$500
Savings	\$50
Clothing	\$50
Healthcare	\$350
Misc. (car/home repair/emergency costs)	\$150
Cell Phone(s)	\$100
<b>TOTAL</b>	<b>\$ 3,550</b> <b>(-\$180.00)</b>

**Scenario 8: Family of four @ 80% of median income (1 employed)**

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (2)	\$250
Life/Auto Insurance	\$100
Food	\$300
Entertainment	\$75
Transportation (gas, public transportation costs)	\$150
Credit Card Payments	\$100
Savings	\$50
Clothing	\$50
Healthcare	\$350
Misc. (car/home repair/emergency costs)	\$150
Cell Phone(s)	\$100
<b>TOTAL</b>	<b>\$3,050</b> <b>(+\$320.00)</b>

**Scenario 9:** Family of 1 @ 80% of median income

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (1)	\$250
Life/Auto Insurance	\$75
Food	\$100
Entertainment	\$75
Transportation (gas, public transportation costs)	\$75
Credit Card Payments	\$200
Savings	\$75
Clothing	\$50
Healthcare	\$100
Misc. (car/home repair/emergency costs)	\$125
Cell Phone(s)	\$50
<b>TOTAL</b>	<b>\$2,550</b> <b>(-\$524.00)</b>

**Scenario 10:** Family of four @ 60% of median income (2 employed)

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (1)	\$250
Life/Auto Insurance	\$50
Food	\$250
Entertainment	\$50
Transportation (gas, public transportation costs)	\$175
Credit Card Payments	\$100
Day Care	\$500
Savings	\$0
Clothing	\$25
Healthcare	\$250
Misc. (car/home repair/emergency costs)	\$75
Cell Phone(s)	\$55
<b>TOTAL</b>	<b>\$ 3,155</b> <b>(-\$628.00)</b>

**Scenario 11:** Family of four @ 60% of median income (1 employed)

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (1)	\$250
Life/Auto Insurance	\$50
Food	\$250
Entertainment	\$50
Transportation (gas, public transportation costs)	\$175
Credit Card Payments	\$100
Savings	\$0
Clothing	\$25
Healthcare	\$250
Misc. (car/home repair/emergency costs)	\$75
Cell Phone(s)	\$55
<b>TOTAL</b>	<b>\$2,655</b> <b>(-\$128.00)</b>

**Scenario 12:** Family of 1 @ 60% of median income

Expected Monthly Expenses	Average Monthly Expenditure
Mortgage/Utilities (utilities: gas, electric, water/sewer, cable/internet, telephone, garbage)	\$1,375
Car Payment (1)	\$250
Life/Auto Insurance	\$75
Food	\$150
Entertainment	\$75
Transportation (gas, public transportation costs)	\$100
Credit Card Payments	\$100
Savings	\$50
Clothing	\$75
Healthcare	\$100
Misc. (car/home repair/emergency costs)	\$100
Cell Phone(s)	\$50
<b>TOTAL</b>	<b>\$2,500</b> <b>(-\$732.00)</b>





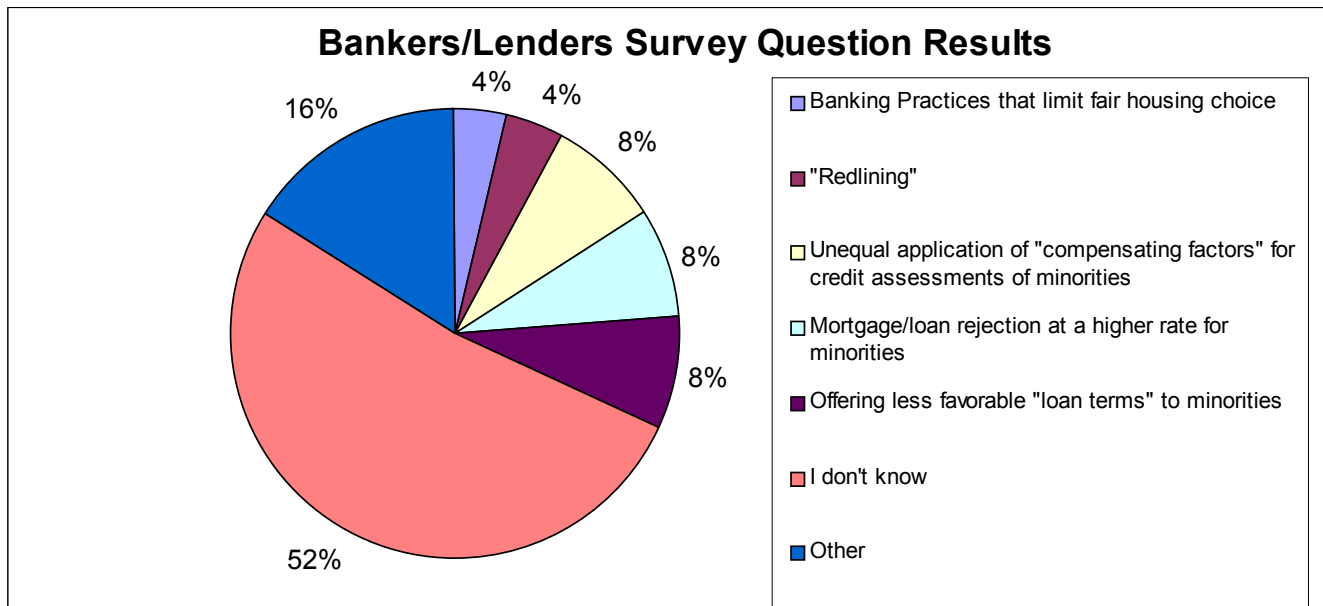
# **APPENDIX B**

## **SURVEY RESULTS SUMMARY**



## Survey Methodology

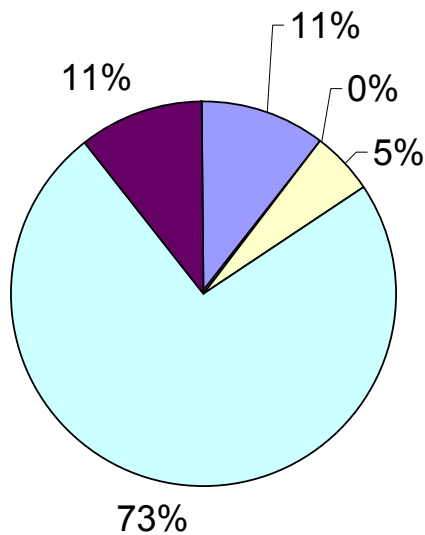
The CDBG Program Office conducted an online, community-wide survey of housing professionals, in the public and private sectors, lending and banking professionals, real estate professionals, nonprofit professionals, and government officials to ascertain perceptions of the housing market and housing-related services in Cobb County. The survey contributors were approached to participate based on their functions in their respective fields in an attempt to get a varied and most importantly, fair blend of responses. The survey yielded a 47 percent response rate.



### Comments on Banking/Lending Practices in Cobb County:

- "OK as far as I know."
- "In my opinion, all lenders want to make loans. They are governed by the same law. What I have seen is the reverse. I have heard that rules are being broken to make the loans. As you can see, Georgia has a very high foreclosure rate. The mortgage loan officers may be stretching the truth in order to make the loan fee. If the loan does not close, they make nothing."
- "People with disabilities who do not have credit history or income other than government benefits have trouble opening bank accounts of any kind."
- "I am not aware of any practices in Cobb County that might constitute impediments to fair housing."
- "Banks will loan minorities money for cars and reject loans for home ownership."
- "As in every field, there is prevalence towards 'selling' at all costs to win rather than a considered effort to protect the homebuyer from predatory lending practices."

## Real Estate Survey Question Results



■ "Steering"

■ Lack of training in fair housing laws for brokers

■ Limited number of minority real estate brokers

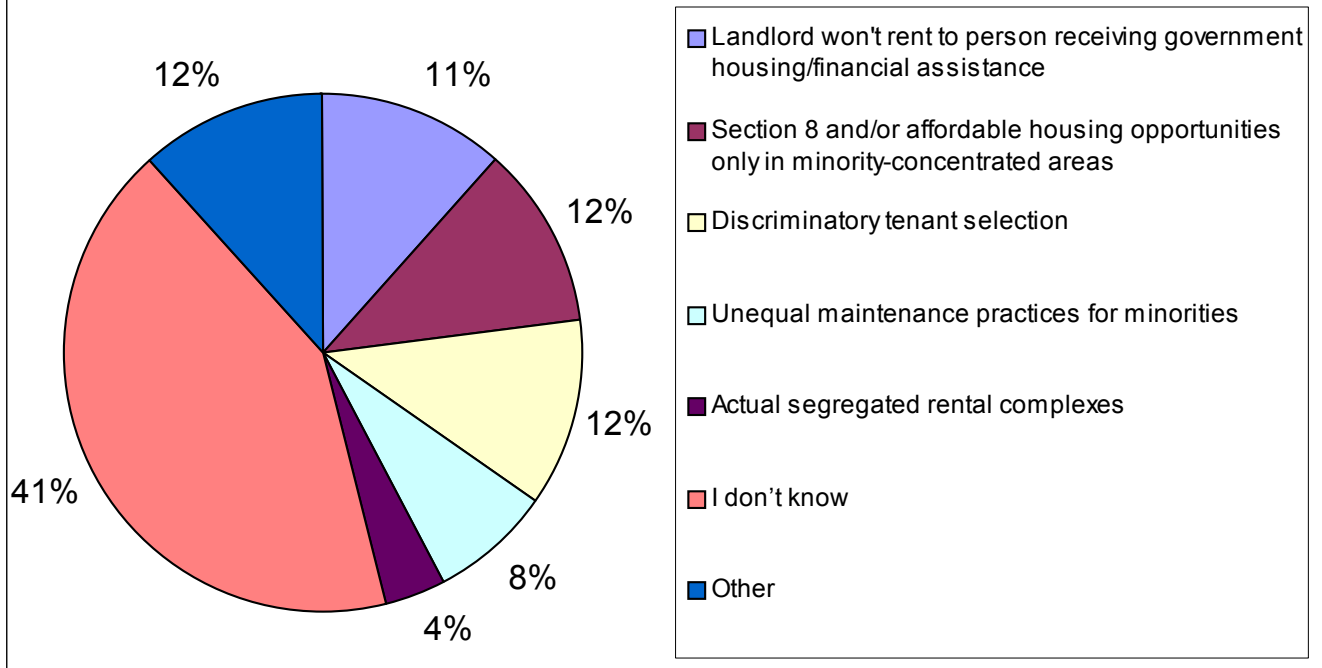
■ I don't know

■ Other

### Comments on Real Estate Practices in Cobb County:

- "OK as far as I know."
- "I typically do not feel that the broker does not tell the agents they have to work. Agents are going to work where they have the most activity."
- "I am not aware of any real estate practices in Cobb County that constitute impediments to fair housing."
- "Minorities have been denied housing where we know there were vacancies."
- "Our organization has not had any complaints regarding the impediments listed above."
- "Practices from most firms are legitimate attempts to sell products to all potential clients. Again, some startup and breakaway firms will push the envelope to achieve sales with a different bent on ethics."

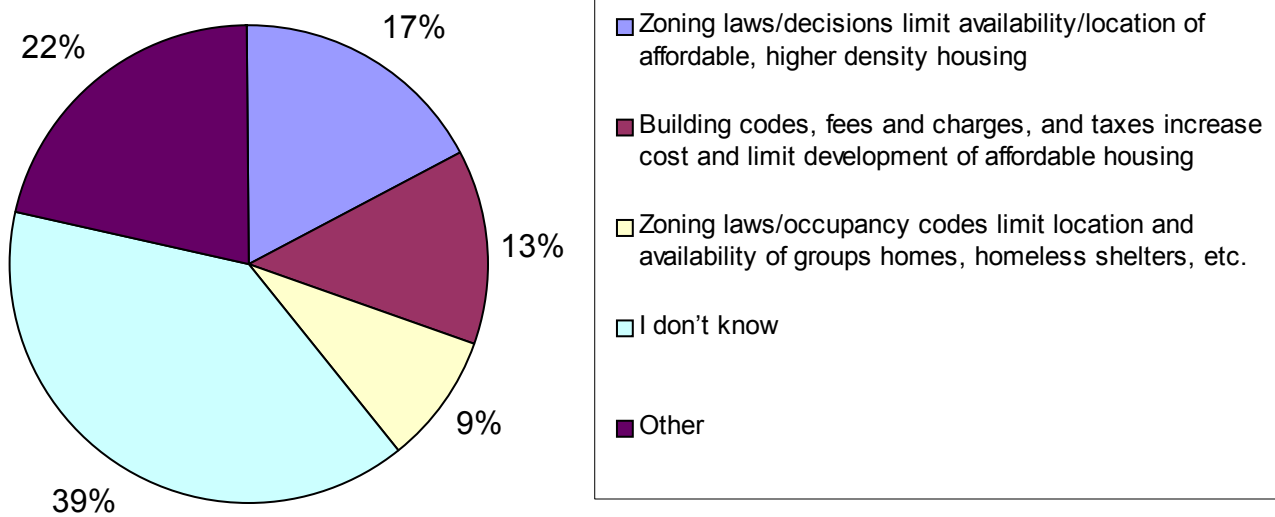
## Rental Housing Survey Question Results



### Comments on Rental Housing Practices in Cobb County:

- “OK as far as I know.”
- “Lack of affordable housing choices for low-income singles and families.”
- “I feel the general public is not educated when it comes to understanding any type of government assistance. You can’t make them become educated, so they continue to lease in the manner they understand.”
- “I am not aware of any rental practices in Cobb County that constitute impediments to fair housing.”
- “This is a proven fact. Send to different persons to certain rentals.”
- “Our organization has not received any complaints regarding these issues.”
- “I believe that landlords have become more willing to rent to tenants on government housing assistance.”

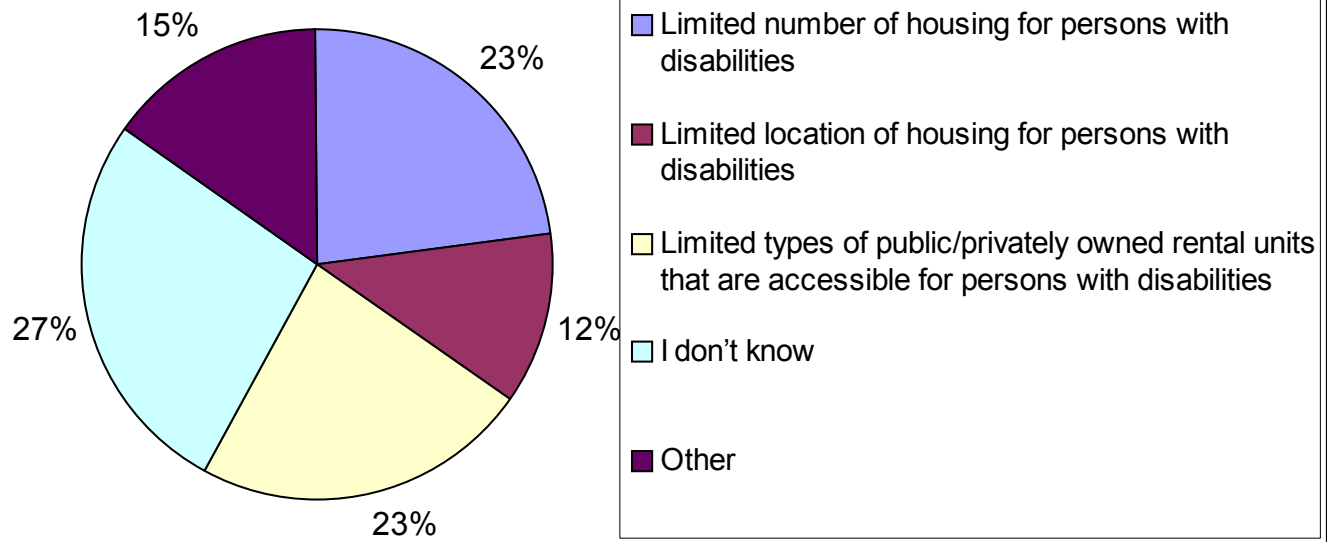
## Zoning Laws/Building Codes Survey Question Results



### Comments on Zoning Laws/Building Codes in Cobb County:

- “OK as far as I know.”
- “In some cases, the actual size of the home required is a detriment when you are in a high cost land area.”
- “Needs to be more strict and enforced.”
- “I am not aware of any such practices in Cobb County that constitute impediments to fair housing.”
- “Zoning laws need to be fully explained in low income areas: town hall meetings, workshops, etc. Attention to zoning will be an issue we will address.”
- “It seems there is a definite attempt to cluster high density housing closer to freeways and major traffic corridors to aid in public transportation opportunities and move congestion to major traffic movers.”

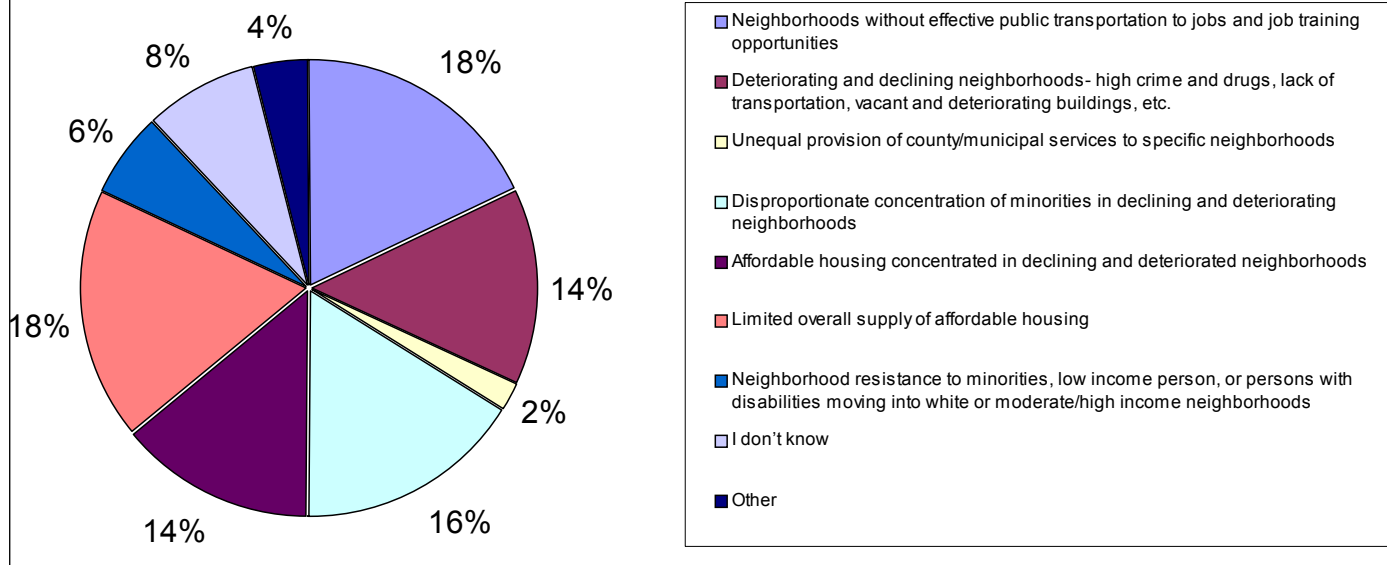
### Persons with Disabilities Survey Question Results



#### Comments on Persons with Disabilities-related impediments in Cobb County:

- “Not enough housing choices for persons with disabilities, especially those with limited income.”
- “OK as far as I know.”
- “The fire marshal needs to be practical in the approach of something being accessible and safe and maybe not meeting all of the codes. This is one reason the public will not deal with handicap issues.”
- “If disability includes addiction, then there is definitely a limited number of housing opportunities within the context of the clinical and supportive services needed by this population. This problem is particularly acute for homeless, addicted women without children.”
- “I am not aware of any such practices in Cobb County that constitute impediments to fair housing.”
- “Most private rentals do not have accessible requirements.”
- “We must ensure that there are better code rules to aid in senior and limited disability construction.”

## Neighborhood Environment Survey Question Results



### Comments on Neighborhood Environment in Cobb County:

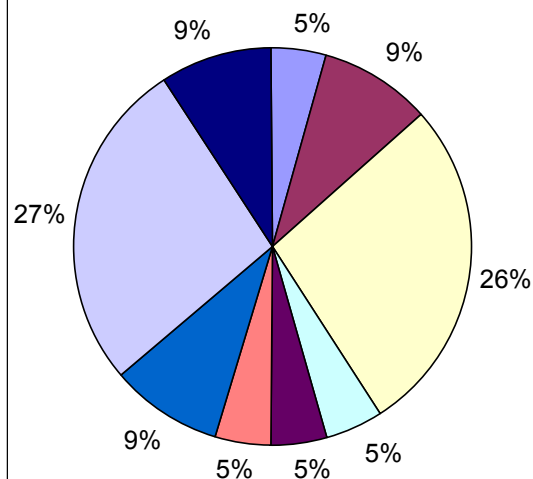
- “Some areas need improving.”
- “Cobb County is working hard to overcome some of the issues above. It takes time; it is not going to happen overnight. Blight does not happen overnight, and cannot be corrected overnight.”
- “Overall public transportation is inadequate, but I suspect it is as good as it can be given limited resources. There is definite resistance to persons with disabilities, if disabilities includes addiction, and if housing includes rehabilitative services.”
- “I am not aware of any such practices in Cobb County that constitute impediments to fair housing.”
- “Eliminating public housing and replacing it with housing out of reach of low income families.”
- “Cobb’s public transportation system is not effective. Routes are very limited and our clients who use the system often have very long (2 hours or more) commutes. The ‘affordable housing’ that is being built is not affordable for the low income population. It is barely affordable for professionals such as police, teachers, etc.”
- “Our new code enforcement policy within Cobb County should help reduce the negative decline in some low income neighborhoods.”



In addition to your responses under the previous pages, do you know of any other Impediments for Fair Housing present in Cobb?

- “No.”
- “When you have a problem, it takes too long to remove a tenant that is causing a problem for the entire development.”
- Redevelopment of public housing in Cobb County to date has not been replaced with any affordable ownership or multifamily rental housing. Redevelopment of surrounding rental investment properties, prompted by new demand in prime locations, further displaces residents and limit reentry or entry into neighborhoods by low income and/or minority persons. CHI makes an effort to develop affordable units, but like most CDCs in urban areas, they will eventually become priced out of the neighborhood too. It seems to me that the local housing authority should make efforts to bring a portion of the previous residents back into the neighborhoods instead of making deals with HUD and local officials that do not benefit the people whom they are primarily responsible for providing housing and services to. If permanent affordable housing is not put in place with the redevelopment of public housing it never will be in those locations.”
- “Public transportation is not available in NICE areas. Public transportation limited to low income or highly industrial areas. Nice residential areas are not accessible. Cobb County real estate prices are too high for people living on public assistance. Section 8 waiting lists are too long to be of any help. Neighborhoods try to fight group homes and it becomes a political issue.”
- “We do not have persons in authority that look like the persons they serve. This needs some serious consideration.”

**Current Fair Housing Actions in Cobb County  
Survey Questions Results**



- ☒ Jurisdiction works with lenders to review lending and appraisal practices to determine if there is potential for restriction of fair housing choice, and works with lenders to remove restrictive practices
- ☒ Aggressive marketing of availability of mortgages and home improvement loans in minority and low income communities
- ☐ Neighborhood revitalization initiatives (planned, ongoing, or recently completed)
- ☐ Training and orientation for representatives of financial institutions to initiate affirmative lending actions in deteriorating and declining neighborhoods
- ☒ Public education programs regarding protection under fair housing laws
- ☒ Fair housing enforcement program for pursuing and settling housing complaints
- ☒ Outreach, education, and information programs
- ☐ I don't know
- ☒ Other



**APPENDIX C**

**HOME MORTGAGE DISCLOSURE ACT [HMDA]**

**DATA SUMMARY**

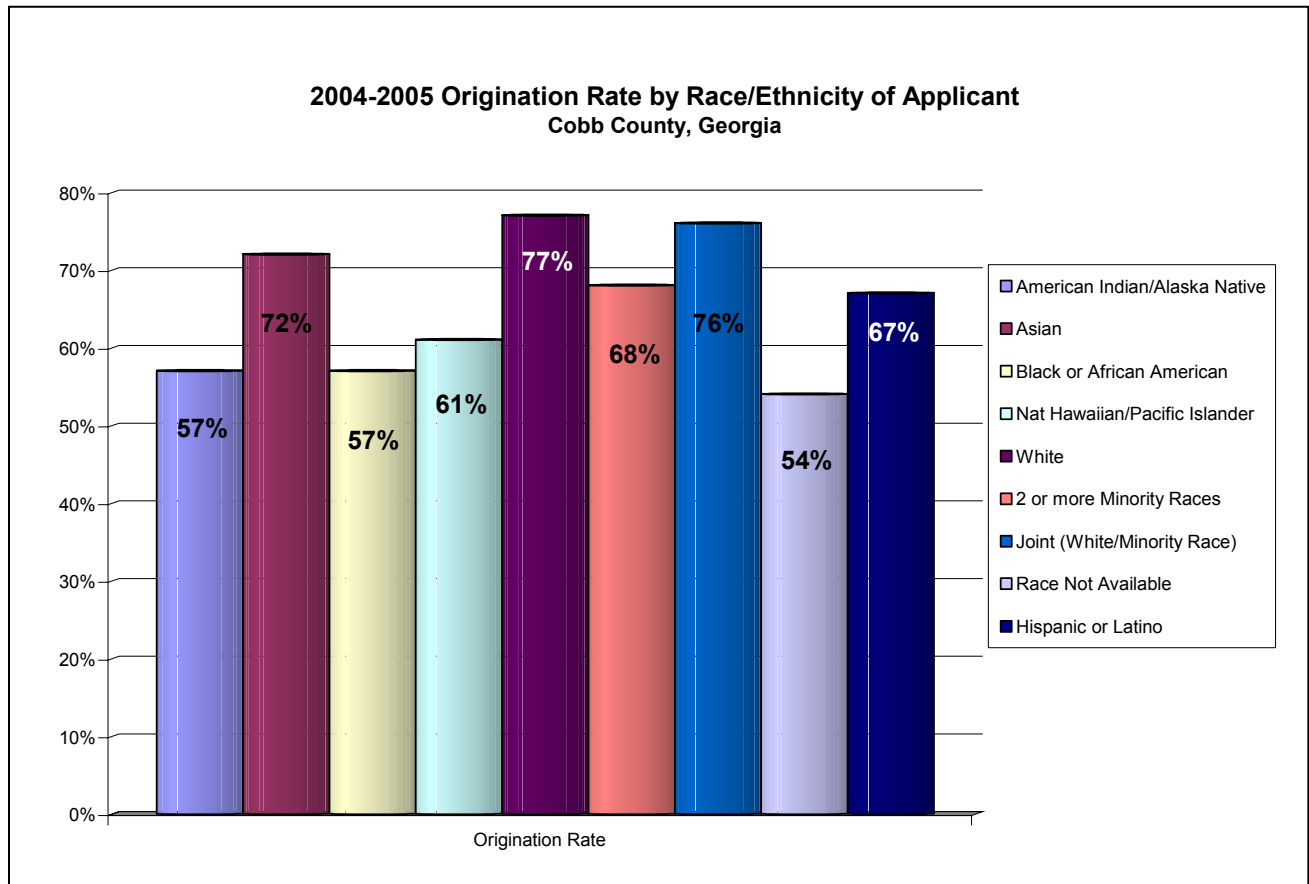
**COBB COUNTY, GEORGIA**

**2004-2005**

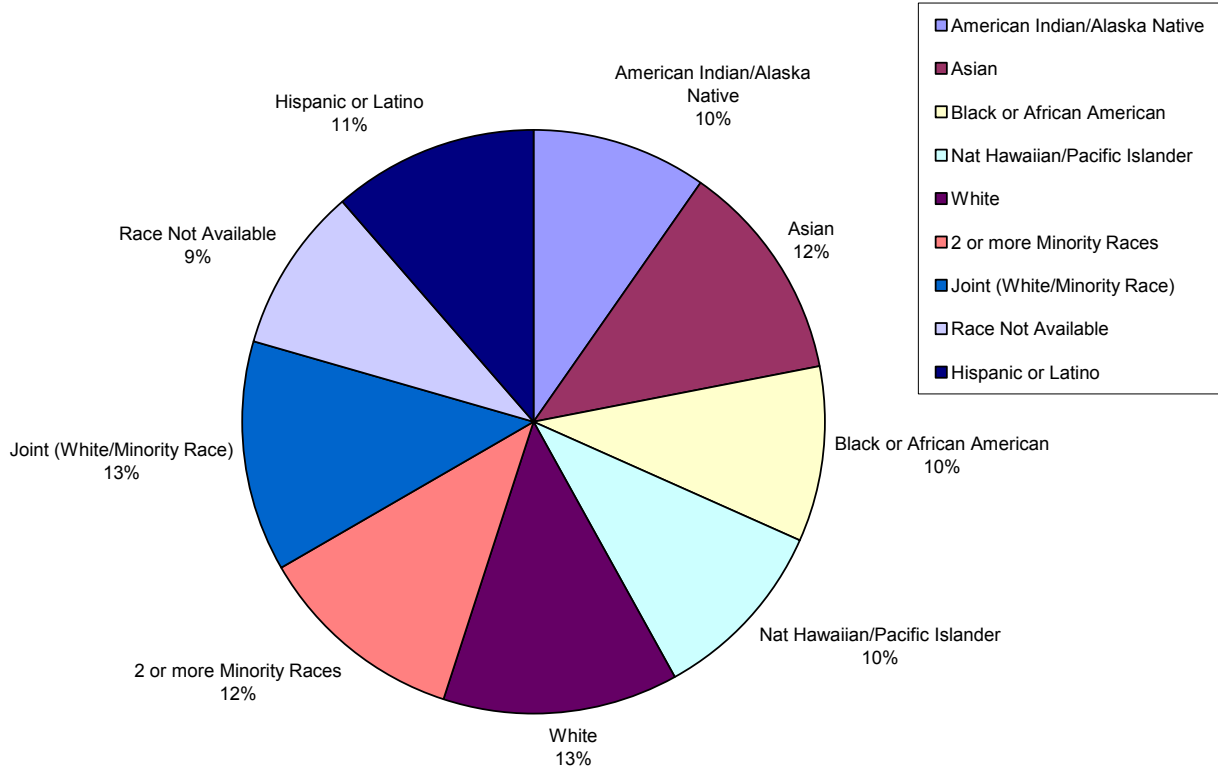


## 2004-2005 HOME MORTGAGE DISCLOSURE ACT [HMDA] DATA SUMMARY

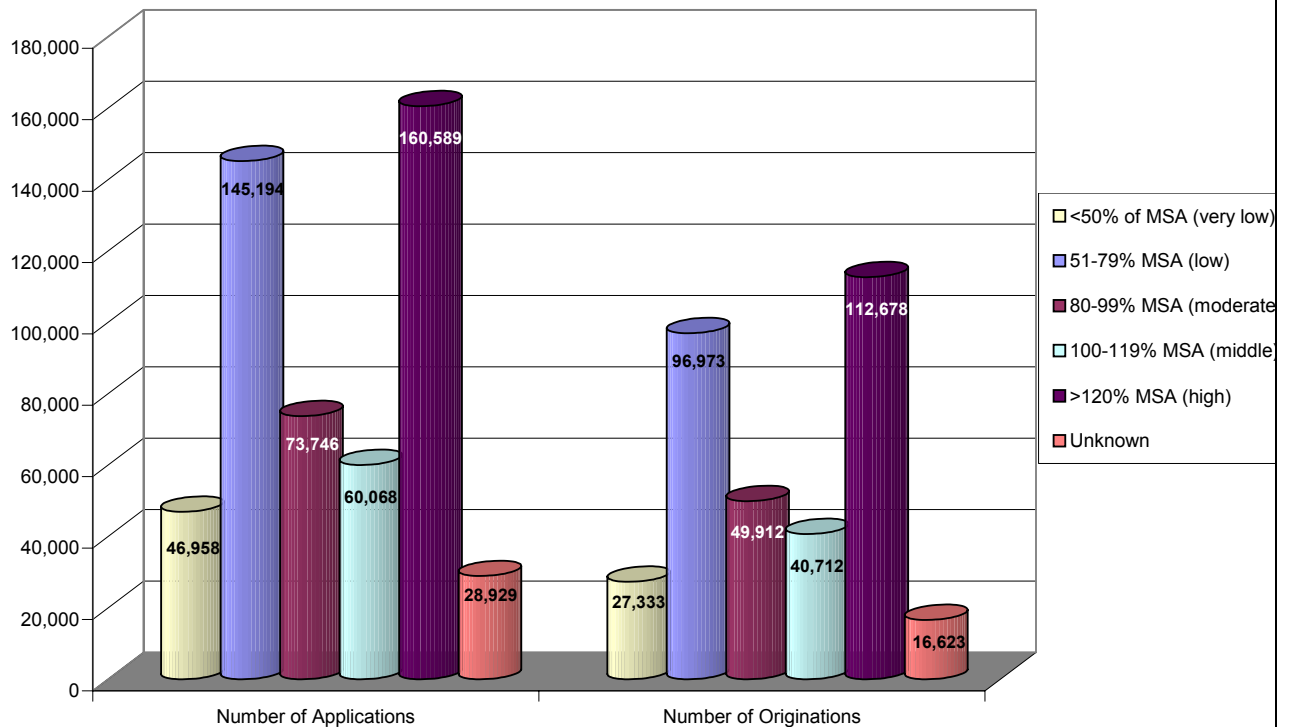
Race/Ethnicity of Applicant	Number of Applications	Number of Originations	Origination Rate
American Indian/Alaska Native	1,945	1,102	57%
Asian	19,811	14,196	72%
Black or African American	173,035	99,480	57%
Nat Hawaiian/Pacific Islander	1,779	1,081	61%
White	242,290	185,676	77%
2 or more Minority Races	390	264	68%
Joint (White/Minority Race)	3,279	2,492	76%
Race Not Available	73,595	39,580	54%
Hispanic or Latino	27,789	18,547	67%
Income	Number of Applications	Number of Originations	Origination Rate
<50% of MSA (very low)	46,958	27,333	58%
51-79% MSA (low)	145,194	96,973	67%
80-99% MSA (moderate)	73,746	49,912	68%
100-119% MSA (middle)	60,068	40,712	68%
>120% MSA (high)	160,589	112,678	70%
Unknown	28,929	16,623	57%



**2004-2005 Loan Origination Rate by Race/Ethnicity of Applicant  
Cobb County, Georgia**



**2004-2005 Comparison of Loan Applications and Originations by Income  
Cobb County, Georgia**



## **APPENDIX D**

### **NFHA Testing: Alleged Racial Steering Incidences in Metropolitan Atlanta**





NFHA TESTING: ALLEGED RACIAL STEERING INCIDENTS IN  
METROPOLITAN ATLANTA

**NFHA**  
National Fair Housing Alliance

**Racial Steering by Coldwell Banker  
Marietta, GA**

Based on paired testing, 2004 - 2005

